



To: Ms. Catherine Cobb  
Maine Department of Health and Human Services  
Division of Licensing and Regulatory Services  
11 State House Station  
Augusta, ME 04333

From: Derek Brock

Re: Application for Dispensary – District 1

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Please accept this application. I am authorized to act on behalf of The Corporation, and attest to the accuracy and validity of all information that will be relied upon by the department in the selection and registration of an applicant.

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Derek Brock  
Chief Executive Officer

Primary Organic Therapy, Inc.  
One Canal Plaza, Suite 600  
Portland, ME 04101



## Application Supplement

**Primary Organic Therapy**

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Portland, ME 04101  
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August 20, 2010

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## I. Executive Summary

Primary Organic Therapy (“The Corporation”) is dedicated to enhancing the quality of life for our patients by providing affordable, high-quality medications for individuals with debilitating medical conditions.

**Mission Statement:** We are dedicated to enhancing the quality of life of our patients by providing education and medication that meets their specific needs. We will provide a secure, discreet, and educational dispensary where patients can privately learn treatment options available utilizing medicinal marijuana. For patients that have chosen to pursue medicinal marijuana as a treatment option, and hold a registered patient identification card, we will provide access to a variety of high-quality, pathogen-free medical marijuanas, each individually suited for specific medical ailments. As our name states, our marijuana and associated products will meet organic certification standards.

**Company Goals and Objectives:** We will grow and dispense high-quality, medical-grade marijuana. Recognizing that various strains and varieties have unique properties and effects on patients, we will offer a wide range of products. Utilizing the latest growth techniques, we will develop product that maximizes the medicinal properties of marijuana. Our goal is to provide a superior patient experience by establishing a professional setting centric to education and medical treatment. In addition to serving the patient community, we will be an employer of choice providing at least 20 full time jobs to Maine residents. Each employee will be eligible to participate in medical insurance, dental insurance, retirement plans and other benefits.

**Business Philosophy:** Our business philosophy is rooted in scientifically-backed results of successful treatment utilizing natural medicine. Millions of people every year take over-the-counter and prescription medication, which often leaves them suffering from side effects. Many of the same illnesses are alleviated with medical marijuana, decreasing the number of side effects exponentially. At Primary Organic Therapy, educating our patients and sharing these benefits of medical marijuana is of utmost importance. We will provide a safe and professional venue for our patients to learn about, and access medical marijuana.

**Keys to Success:** Operating as a non-profit entity, our success will not be measured by financial gain. Rather, our success will be measured by our ability to attract and retain our patients by providing products that improve their quality of life. Success will be defined by the number of patients we can educate and provide treatment for their ailments. We are Maine residents, dedicated to helping fellow Maine residents find relief in natural medicine.

**Charitable Giving:** We expect to be a force for positive change in State of Maine by helping our fellow Mainers access high quality medicine (sometimes at no cost). Our business plan makes provisions for the donation of marijuana as well as access to therapeutic supportive services those patients that cannot afford the medicine. Additionally, we will dispose of excess profits to charities that are focused on improving the quality of life in Maine. As an example, we have established a partnership with the Maine AIDS Alliance. Through this partnership, we will facilitate the delivery of medicine to patients stricken with HIV and AIDS. Further, we will make routine donations to this organization so that they can further their mission of supporting individuals suffering from this terrible disease. The Board Members and Principal Officers of our organization are passionate about improving the daily lives of folks in Maine. This

charitable spirit will be the backbone of our organization and will be pervasive throughout the culture of our organization.

**Location Strategy:** Our long term goal is to be a trusted provider of high-quality, medical marijuana throughout the State of Maine. With that goal in mind, we have developed a site strategy that will allow us to build scale in the future should the State allow for additional Dispensaries in the future.

**Growth Site:** Our grow operations will be based in Sanford, ME (90 Community Drive). On August 17<sup>th</sup>, the Town of Sanford voted to approve zoning of medical marijuana dispensaries in selected zones. Our location is within the Industrial Business Zone and approved for use as a medical marijuana dispensary. The property is 25,000 sq ft and we will take possession of the facility conditional upon a successful application.

**Retail Site:** We will initially dispense out of the Sanford, ME location for at least the first year. After the first year, we will complete a demographic study of our patients and also work with Maine DHHS to identify a location that will be best suited for a retail outlet. Several towns in District 1 are still working through various zoning and planning issues and this will allow these towns time to get comfortable with this new industry. Our goal will be to locate our retail site in a location that is the most accessible to our patients and caregivers.

**District 1/7 Synergies:** For purposes of the application, we have presented two separate applications and business plans for Districts 1 and 7. However, we hope that we will be awarded a license in both districts. Should The Corporation be awarded a license in both districts, we will be able to achieve economies of scale by sharing key management and administrative expenses across the two districts. This will improve our efficiency, financial strength and capacity to serve more customers.

## II. Criterion 1

**MEASURE 1:** The legal name of the applicant is Primary Organic Therapy, Inc. **Schedule C** includes the following:

- A. Bylaws of the Non-profit Corporation
- B. Articles of Incorporation

**MEASURE 2:** The Corporation will operate at the following location:

90 Community Drive  
Sanford, ME 04073

**Schedule D** includes a letter of intent, expressing the landlord's intention of renting the above property to Primary Organic Therapy conditional on a successful application.

**MEASURE 3:** The Corporation is in compliance with all local codes and ordinances. **Schedule D** includes a copy of applicable zoning laws. The Corporation is in compliance with local zoning. The Dispensary and the Growth Operations are at the same location. The corporate location is not within 500 feet of a pre-existing public or private school boundary. The nearest school is well distanced from the property, at 2.4 miles away:

Willard School  
668 Main St  
Sanford, ME 04073

**MEASURE 4:** The facility is approximately 25,000 square feet. The building is zoned for mixed industrial/retail use. The facility is visible from the street. The exterior of the building is well lit with customer parking in front of the building. The exterior lighting is sufficient to deter nuisance activity and facilitate surveillance. This location is not in a residential, and as such will not disturb neighbors. The exterior of the facility will be equipped with cameras covering the parking area and both points of entry. The facility has only two points of entries:

### 1. Main Entrance

- a. Authorized employees can gain entry by using an electronic identification card
- b. Customers can gain entry during business hours only by being granted access by a Security Guard who will be posted at this door during business hours

### 2. Emergency Exit

- a. A locked door in the Grow Room that can only be opened from inside the facility
- b. The door will be clearly marked as a fire door and an alarm will sound if the door is opened

The facility will be secured with a state-of-the-art security system. The interior of the facility shall be equipped with electronic monitoring, video cameras and panic alarms. All alarms will be monitored by a 3<sup>rd</sup> party security vendor. Additionally, The Corporation will contract with a 3<sup>rd</sup> party security vendor to have a full-time security guard on the

premises during business hours. After business hours, the facility will be locked and the security system will be engaged with full time remote monitoring by a 3<sup>rd</sup> party security firm. A security guard will be involved in opening and closing procedures of the facility to ensure employee and client safety.

Due to our growing area being located on site, we plan to take an additional precaution by securing all inventories in a secure safe, which will also be under video surveillance. Safe will be opened and closed under dual logged procedures.

**MEASURE 5: Schedule A** lists the Board Members of The Corporation. Each member's address, date of birth and a photocopy of their Maine driver's license is included. Documentation of current state residency shall be maintained in the personnel files, including a copy of a Maine driver's license and physical home address (not mailing address) in Maine.

**MEASURE 6:** The Corporation is controlled by the Board of Directors, and managed daily by the Chief Executive Officer. No other individual or corporation will exert any control over the Management or Board of Directors. No other individual or corporation will have any equity in the business. No Board member is being compensated in connection with their Board responsibilities, and any Board member who will also be providing professional services to Primary Organic will be paid reasonable compensation consistent with the market value for the services provided. Such individuals will not participate in any decision making with respect to their own compensation.

**MEASURE 7:** The Corporation will lease the site property from Patterson Companies, LLC. No creditors hold a security interest in the premises.

**MEASURE 8:** The application and signed cover letter are included.

**MEASURE 9:**

✓ **Business Financing & Financial Capability** - The Corporation will operate as a non-profit organization, in accordance with Maine state law. The Corporation has a debt financing commitment in the amount of \$500,000, for each successful application, from US Car Find. The loan has a 5 year term, with annual interest of 20% on outstanding principal. The Corporation can draw up to the maximum amount of the loan at any point during the five year term, allowing us the flexibility to access capital to meet any unforeseen needs. Exhibit A is a letter of intent from US Car Find. US Car Find will hold debt holder rights in accordance with state and federal laws, but will not exert any direct control on the day-to-day operations of The Corporation.

John Montgomery, the founder of USCarfind.com, is a successful internet entrepreneur who is actively running many successful businesses (including USCarfind.com, USMusicfind.com and Betterbackitup.com). Mr. Montgomery has been personally touched by Crohn's disease. He has experienced the healing effects of natural medicines and strongly supports the legalization of medical marijuana. The \$500,000 financing commitment/per successful application from his company will help further his goal of allowing patients with debilitating conditions to seek natural medicines without

persecution and with dignity. John Montgomery will provide evidence of financial capability to Maine DHHS if requested.

The Corporation will run itself as a non-profit business with the primary goal of helping as many patients as possible. We will operate the business with an eye on long-term financial health so that we can expand services and offerings to our patients. The Corporation estimates it will need to draw down \$350,000 in the first year from its debt facility to cover the costs of establishing the business (including capital expenditures, salaries and operating costs) developing inventory. The remaining \$150,000 will be available for contingencies and additional capital investment. Projected income statements for the first three years are included in the application. The Corporation estimates that it will be in position to fund all operating and capital projects from operating revenue by Q3 2011. The Corporation estimates the \$150,000 contingency fund will be more than adequate to cover any shortfall between startup and Q3 2011. The Corporation will use excess revenues to expand charitable programs (e.g. programs such as partnership with Maine AIDS Alliance) and reinvest in the business operations including expanded services, products, facility development and research. The Corporations long-term goal includes purchasing the building that houses the growth operations in Sanford as well as purchasing its dispensing location.

✓ **Policy for Patients Who Can't Afford Marijuana** – Primary Organic Therapy understands that there may be many patients unable to afford prescription marijuana. In order to accommodate the needs of all our prospective patients, we have developed a program to provide aid to those with little or no income.

Each patient seeking assistance can apply and be evaluated using a sliding scale (based on the Federal Poverty Guidelines). The Corporation will work with Maine DHHS to ensure the policy meets their standards. Assuming an individual meets the standards of the State of Maine to be a registered patient, they will be eligible to apply for assistance. Primary Organic Therapy will initially help individuals cover the \$100 cost to register with the State of Maine as a patient, if necessary. Subsequently, the patient will need to provide appropriate documentation of their current income (such as W2's or social security checks) to be re-evaluated every six months. Income will be calculated in the same fashion as DHHS – including standard deductions to ensure consistency and equity. Qualifying patients will receive a designated amount of medicine each week (1 gram per week) at no charge with the option to purchase additional medicine at reduced costs (per a sliding scale). Membership in this program will need to be renewed every six month.

✓ **Unused Excess Marijuana** – Primary Organic Therapy will maintain a program enabling the donation of excess marijuana to registered patients unable to afford their medicine.

Donors must register with Primary Organic Therapy. Prior to accepting a donation, The Corporation will verify with DHHS that donor is currently registered with The State of Maine as a valid patient or caregiver. Their information will be kept confidential, only to be accessed by approved personnel. Donors will be organized and tracked via an identification number in order to retain confidentiality. With each donation made, the donors must provide the following information about their marijuana: harvest date, growing procedures, identification of strain, any concerns and lastly, verification via signature that the marijuana is authentic and has not been tampered with in any way.



The donation must be provided in a clear, sealed bag no larger than one gallon in size. Each bag will be labeled with the date donated and donor's identification number. The marijuana must be in bud form and free of stems, seed and twigs in order to ensure that no other plant material has been introduced. As described in Schedule E-5, Primary Organic Therapy has licensed Budgenius.com proprietary testing technology. Each donation will be tested for cannabinoids, pesticides, mold, fungus, insects, chemicals or other foreign materials. If the marijuana is deemed to be accepted for consumption, the findings will be documented on the tracking sheet and the medicine will be recorded into 'Inventory Available for Donation'. The medicine will not be commingled with The Corporation's own medicine. Accepted cannabis will be processed into gram bags and be labeled as donated medicine. The package will include a disclaimer that Primary Organic Therapy did not cultivate the marijuana and cannot guarantee its quality.

If the marijuana is deemed to be unacceptable for consumption, the medication will be properly destroyed and the donor will be informed of the outcome so that they can correct future donations.

✓ **Projected Income Statements** - Income Statement, in the prescribed format, for the first three years are included in the application. The Income Statement has been estimated using a detailed financial model with comprehensive financial statement that allows The Corporation to maximize its capital by precisely monitored the financial health of the business at all times. An experienced Accounting Manager will continually monitor the financials and provided Management reporting such that Officers of The Corporation can make necessary decisions for the long-term health of the business. Projected income is highly determined by the patient acquisition over the first three years. Our patient estimates were derived using the estimated population of District 1 of approximately 202,000 residents. We have conservatively estimated that we will acquire up to 400 patients (0.2% of the population) in the first year and up to 700 patients (0.2% of the population) after the first three years. Revenue estimates assume an average price of \$350/ounce in the first year, dropping to an average price of \$300/ounce by year 3 as the market becomes more mature. Revenue estimates assume each patient procures an average of ½ oz. per week.

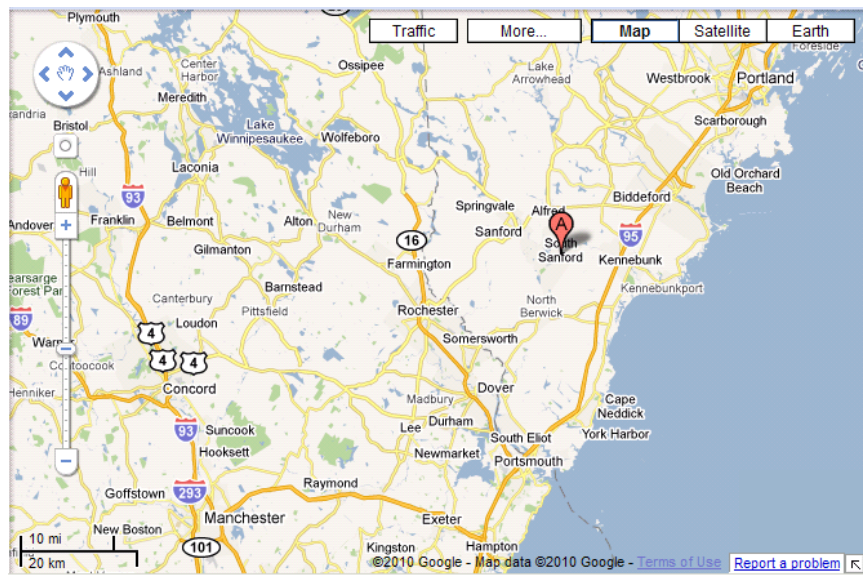
Our financial projections indicate that we will break even in Q3 2011 and be able to fund all future operating and capital needs out of profits.

### III. Criterion 2

**MEASURE 1:** The location is of the Dispensary:

90 Community Drive  
Sanford, ME 04073

The location is convenient for registered patients and caregivers. The business is conveniently located in Sanford, ME which is geographically central to District 1.



The Corporation chose Sanford due to its close proximity to the majority of the population in District 1. Based on 2000 U.S. Census Data, York County had approximately 202,000 residents. Sanford's nearly 21,000 residents make it one of the largest towns in York County comprising over 10% of the population. Furthermore, Sanford is very convenient to other population centers in the County:

Proximity to Sanford, ME	Residents	% of Total
Population within 10 miles:	50,640	25%
Population within 20 miles:	126,131	62%
Population within 30 miles:	152,602	76%

The location is conveniently located less than 8 miles from Maine Turnpike. We recognized that many of our patients may be immobilized for a variety of reasons. We will offer a safe and secure delivery service to those registered patients that do not have the ability to visit our Dispensary.

The location is also less than 6 miles from Maine DHHS's office located in Sanford, ME (890 Main St).

The facility has ample parking for its patients and caregivers. The facility is handicapped accessible.

## MEASURE 2:

- ✓ **Schedule E-2** describes The Corporation's start-up timetable and assumptions.
- ✓ Derek Brock has over ten years of experience growing organically. **Schedule A** details Mr. Brock's bio and his knowledge of organic growing methods. All marijuana grown by The Corporation will meet the Federal Department of Agriculture standards for certified organic products.
- ✓ **Schedule E-5** describes The Corporation's quality control and testing procedures to ensure purity and consistency of dose.
- ✓ The following list details the various strains that will be grown. **Schedule E-6** includes the educational information The Corporation will provide to its patients about these strains.

Indicas:		
1. Ganesha's Dream	2. Forbidden Fruit	3. White Queen
4. Hindu Kush	5. Master Kush	6. Medijuana
7. Northern Light	8. Supernova	
Sativa / Indica Mix:		
1. Aussie Blue	2. Caramelicious	3. New York Diesel

## MEASURE 3:

We have developed a seasoned and diverse Board of Directors and Principals of the business. **Schedule A** highlights each members experience in detail.

### **Derek Brock – Chief Executive Officer, Board Member**

Derek has over ten years of experience as a grower and business manager with Jewell Towne Vineyards (S. Hampton, NH). Derek has managed the vineyard for over ten years, overseeing all aspects of the business. As CEO, The Corporation will leverage Derek's business acumen in the daily operations of the business. **Schedule A** includes Derek's resume.

### **Scott Reed – Head of Retail Operations, Board Member**

Scott Reed has over 15 years of retail experience. Most recently, Scott was Director of Operations for Wild Oats Eastern Region, overseeing sixteen stores across six states. While working for Wild Oats, Scott was recognized company wide with the **Store Director of the Year Award** and **Outstanding Leadership Award**. As Head of Retail, The Corporation will leverage Scott's extensive knowledge of retail operations. **Schedule A** includes Scott's resume.

### **Jessica Wood –Board Member**

Jessica Wood has her master's degree in criminology and will leverage her education and experience as a financial crimes investigator to help the Corporation protect itself from internal and external threats. Her training will be critical in helping The Corporation create processes that prevent unlawful activity. Jessica will also leverage her six years of experience as a Care Manager with Maine Medical Center/Care Partners to help The Corporation work cooperatively with our patients and caregivers. She will draw on her experience working with the un-insured and under-insured to help The Corporation ensure we can provide high-quality medication to those disadvantaged patients that so desperately need this medication. **Schedule A** includes Jessica's resume.

### **Anthony Lusardi –Board Member**

Anthony Lusardi (Board Member) has over 15 years of experience running a non-profit organization. Anthony has managed every aspect of a non-profit and has deep knowledge of their inner workings. As a Board Member, Anthony will lend his extensive expertise in non-profit management.

**MEASURE 4:** The Corporation will adopt policies and procedures to detect and prevent unlawful activity. As described above, Jessica Wood will leverage her training and experience to help The Corporation design and monitor policies and procedures that are designed to prevent unlawful activity. Below are examples of policies that will deter unlawful activity:

✓ **Record Keeping** – The Corporation will maintain strict record keeping policies designed to ensure compliance with applicable laws while maintaining patient privacy. All employees will be trained on record keeping procedures and monitored by their supervisors to ensure compliance with these procedures. The Corporation will implement record keeping system that will be stored in a secure server.

The Corporation will routinely perform back-up procedures to ensure records are not lost. The Corporation will store back-up records in a secure, offsite location. The system will be equipped with state-of-the art encryption and security to prevent unauthorized access. The system will be monitored by to detect unauthorized access. The system will be audited periodically by an independent 3<sup>rd</sup> party IT vendor to prevent unlawful activity.

#### **A. Patient Records**

- a. **Sales Records** – The Corporation will maintain sales records for six (6) years, including the name of the registered patient or registered caregiver to whom marijuana has been furnished, the date, the quantity and form, as well as the price. The records will also indicate any marijuana paraphernalia that has been sold or distributed. The Corporation will report sales to Maine Revenue Services, and collect and pay sales tax, as required.

- b. **Patient Tracking** - Record keeping begins with properly verifying and recording patient information. The Corporation will first verify that each patient is a registered patient with The State of Maine. The expiration date of the registration will be observed as part of the verification process. Once verification is complete, The Corporation will take a photocopy of the patients' registration card and a photocopy of their driver's license (or other state issued identification card) which will be securely stored in a locked file cabinet. Additionally, The Corporation will issue each patient a dispensary identification card that is equipped with a smart card. That smart card will carry information such as the patients photograph, registration number and registration expiration. Each time a patient visits the Dispensary, the patient's identification card will be scanned so that the employee can verify the patient registration status and monitor recent purchases. The expiration date must be observed each time a patient visits to ensure the registration card is still valid. When the patient purchases marijuana, the purchase will be recorded in a secure database. When the patient's identification card is scanned, the patients purchase history will be accessible to employees. **This will allow employees to ensure the patient is not exceeding the lawful limit of 2.5 ounces every 2 weeks.** Additionally, it will allow employees the ability to review the quantity and strains the patient is using and provide education and counseling as appropriate. The Corporation will make available "tracking sheets" to each patient, upon signed request, so the patient can keep track of the strains they have used and their effects.
- c. **Patient Privacy** – The employee database will be password protected and accessible only by authorized employees. The Corporation will comply with The Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules.

**B. Corporate Records** – Employee information will be stored in compliance with Maine State laws and Federal laws. The Corporation will immediately notify the State of Maine if there is any change to the names and/or number of registry cardholders associated with Primary Organic Therapy. The Financial statements will be audited annually by licensed, public accounting firm (PricewaterhouseCoopers - Portland, ME) to ensure there is no financial misconduct.

✓ **Inventory Controls** – **Schedule E-3** describes The Corporation's inventory control procedures. Below are some highlights of our processes that are designed to prevent unlawful activity:

- Every plant is uniquely identified and monitored throughout it's life cycle
- The plant is routinely weighed and tracked to ensure there is not theft of product by growers
- Upon harvest, a supervisor must review the plant to ensure there is not useable material left on the plant before it is move to a bin in preparation for destruction
- Every gram of harvested material will be measured and accounted for through each phase of the process – harvesting, curing, processing, packaging and dispensing
- Medication will be stored in 2ounce increments in tamper-evident containers

- The Corporation will use high-precision scales that will be calibrated daily. All weights must fall within specific tolerances to ensure there is not inventory shrinkage or theft.
- Inventory is kept under double lock and inventoried daily by two people
- Quantities of marijuana must be signed out by two employees (at least 1 supervisor) when dispensed
- The accountant will independently reconcile inventories to sales records each day to ensure there is no shrinkage or theft of inventory
- Employees will be required to keep personal belongings in a locker located in the break room to reduce theft opportunities
- The facility is equipped with internal camera throughout that will be used to monitor employees and transactions within the Dispensary.

#### ✓ Security –

A. **Patient Security** - The Corporation will contract with a 3<sup>rd</sup> party security firm to develop a comprehensive solution for facility, employee and patient security. A key element of this security plan with the employment of security guards during business hours and will likewise play a large role in opening and closing procedures. As such, a security guard will conduct a physical search of premises prior to employees and patients entering the building. At closing, a guard will be available to accompany employees to their vehicles. At least one security guard will be on the premises during business hours. The security guard will be posted at the entrance of the Dispensary during retail hours. The security guard will be responsible for granting patient access to the reception area by pre-screening each customer. The process will be as follows:

- a. Customer will be met at doorway upon entrance
- b. Customer will be asked to furnish their registration card and their dispensary issued identification card (if a returning customer)
- c. Security guard will visually inspect the card and observe the expiration date to make sure the card is still valid
- d. Security guard will ask the customer to furnish a valid driver's license (or other state issued identification card)
- e. Security guard will make sure the name matches the registration card and picture matches the person's face
- f. Upon verification of the above, security guard will direct the patient to the Receptionist who will continue the check-in process

The reception area will be comprised of a patient waiting area and desk with a receptionist posted at all times. The receptionist will have access to a secure, password-protected computer terminal with access to patient records. The receptionist will complete the check-in process as follows:

- g. If the patient is a current customer of The Corporation:
  - i. The receptionist will be ask them to furnish their registration card as well as their dispensary-issued identification card
  - ii. The receptionist will observe the expiration date of the registration card to ensure it is still valid

- iii. The receptionist will scan the patient's dispensary card which will read the data from the smart chip, enabling the receptionist to handle any of the patient's questions about their records
- iv. Registered patients will wait in the Reception Area until they can be served in the Dispensing Room.
- h. If the patient is a not a current customer of The Corporation:
  - i. The receptionist will be ask the customer to furnish a valid Maine state-issued identification (e.g. Maine drivers license)
  - ii. The receptionist will observe the expiration date of the state identification to ensure it is still valid
  - iii. The receptionist will take a photocopy of the license, will be stored securely in a locked file cabinet
  - iv. The receptionist will record the patient's information into the secure database
  - v. The receptionist will issue the customer a dispensary identification card
  - vi. Registered patients will wait in the Reception Area until they can be served in the Dispensing Room.

A maximum of three patients will be allowed in the Dispensing Room at one time. Patients will wait in the order they arrived until their turn. Patients will gain access to the Dispensing Room through a locked door that can unlocked by the receptionist.

In the event staff member makes a medication delivery due to a patient not having access to adequate transportation and or if inventory is ever transported, security personnel will be required to follow behind the staff individual with medication in a separate vehicle until entire trip is complete.

- B. **Facility Security** – The entire facility will be equipped internally and externally with cameras. Internally, the cameras will be capable of viewing every square foot of the facility. Externally, cameras will be capable of viewing each entrance and the parking lot. The exterior facility will be well lit. Each room will be equipped with locked doors, only accessible by authorized employees. The facility will be equipped with an alarm at each entry point, that will be remotely monitored by a 3<sup>rd</sup> party security firm (24 hours a day, 7 days a week). The facility will be equipped with fire alarms and carbon monoxide monitors, that will be remotely monitored by a 3<sup>rd</sup> party security firm (24 hours a day, 7 days a week).
- C. **Employee Security** – The Dispensary and grow facility will be equipped with closed circuit cameras. The cameras will be broadcast on monitors. A monitor will be available in the Dispensing Room, enabling dispensary employees to see activity in the Reception Area. A monitor will available behind the Reception desk, enabling The Receptionist to see activity in the Dispensing Area. Each room will be equipped with a panic alarm that can be triggered by employees in the event of criminal behavior. And as aforementioned, the growing area will be subjected to enhanced security. Inventory will be held in a safe that will be opened and closed under dual logged procedures completed under video surveillance.



✓ **Quality Control - Schedule E-5** articulates The Corporation's procedures for quality control. Below are some highlights of our processes that are designed to prevent unlawful activity:

- The Corporation will use Budgenius.com proprietary technology to test all material – ensuring the product meets medical standards and is not tampered with in any way.
- Due to the medical quality of our marijuana, the product will warrant prices near the black market level. Prices set near the black market level will deter patients from buying excess marijuana and selling it to unqualified persons in order to make a profit.

## **MEASURE 5:**

**Staffing Plan –Schedule B** depicts the full-staff organizational chart for The Corporation. Initially, we will hire 13 employees to start the business. After a thorough background check is completed that confirms no incidence of a drug conviction or any other potential disqualifying red flags, qualified candidates will be hired on a 60 day probationary employment agreement. Qualified candidates will be hired on a 60 day probationary employment agreement. Each new employee will participate in a thorough training process designed to educate them on the critical aspects of their job, patient/employee safety, and business confidentiality. Each employee will be trained in, and demonstrate adherence to, The Corporation's confidentiality requirements. Additional training tools will include the employee handbook, custom training presentations and seminars. Furthermore, employees will be offered additional training and education opportunities throughout their employment with The Corporation in an effort to retain skilled and knowledgeable staff members. Employees that are customer-facing (including all Retail associates) will be trained in First Aid, CPR and will be required to be HIPAA trained and certified.

Each employee will be provided a detailed job description, including his/her duties, authority, responsibilities, qualifications and supervisory requirements. Employees will be evaluated quarterly by their supervisor. The supervisor will be required to document the review, as well as any disciplinary actions. Highlighted below are summarized job descriptions of some key roles within The Corporation:

**Chief Executive Officer (Derek Brock)** – Supports operations and administration of Board by advising and informing Board members, interfacing between Board and staff, and supporting Board's evaluation of chief executive. Oversees the design, marketing, promotion, delivery and quality of products and services. Recommends yearly budget for Board approval and prudently manages organization's resources within those budget guidelines according to current laws and regulations. Effectively manages the human resources of the organization according to authorized personnel policies and procedures that fully conform to current laws and regulations.

**Head of Retail (Scott Reed)** – Responsible for overseeing all the day-to-day processes that are carried out in The Dispensary. Manages the product inventory, salespersons, goods for display and sales. Ensuring there is zero inventory shrinkage or misconduct by retail associates. Imparts training and



development to the employees and salespersons. Will have an Assistant Manager that will provide support in several of the responsibilities noted above.

**Lead Grower (To be hired)** – Responsible for overseeing all the day-to-day processes that are carried out in Growth Operations. Manages the planting, growth, harvesting, inventory and destruction of excess stock. Responsible for ensuring quality control standards and safe growing and cultivation procedures are met. Ensuring there is zero inventory shrinkage or misconduct by growers. Imparts training and development to the growers. Will have an Assistant Manager that will provide support in several of the responsibilities noted above.

**Chief Operating Officer (To be hired)** – Responsible for overseeing accounting of the business, security operations and clinical aspects of the business. Reporting to this individual will be the Accounting Controller, Director of Security, and Therapist.

**Accessible Business Hours** – The Dispensary will be open for retail sales during the following business hours. The staffing plan contemplate at least one supervisor (Head of Retail or Assistant Manager), two retail associates, and one receptionist will be on duty during all 60 hours of Dispensary business hours each week.

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Open	12pm	9am	9am	9am	9am	9am	9am
Close	6pm	6pm	6pm	6pm	6pm	6pm	6pm

Additionally, a security guard will be on the premises during all retail hours to ensure accessibility.

**Safe Growing and Cultivation** – Given that the grow room facility is the most hazardous sector of our industry, all members of the grow team will be required to attend OSHA safety courses for general industry per order of The Corporation. This is standard required practice for similar companies and industries that have projects which are federally funded. Under these requirements, supervisors must attend and complete 30 hours of the OSHA training courses. All other related general employees of the grow team must attend and complete 10 hours of OSHA training courses.

The head grower and other supervisors (if applicable) will be required to attend and complete 30 hours of OSHA training. All other grow team members will be required to attend and complete 10 hours of OSHA training. These requirements must be completed within the first 6 months of employment and be renewed before expiration of OSHA awarded certificates. These training courses are known to reduce workplace hazards, injury, illness, and compliance fines.

Growers will be required to wear company issued uniforms (sanitary jumpsuits, footwear, gloves and hats) before accessing the grow room. Each grower will follow a series of daily checks to ensure all equipment is working properly and does not provide a potential hazard. Each employee will complete a checklist and provide to their supervisor for approval, ensuring that all safety measures are completed daily. Throughout the day, growers will be expected to immediately report changes in equipment or conditions that could lead to a hazard.

The Corporation will also work closely with required local and state authorities to be in compliance with and exceed all electrical, fire and safety codes.

**Confidentiality of the Grow Site** – The grow site will be located in the same facility as the dispensary for heightened security purposes. Access to the grow site will be limited to authorized personnel and the grow site will be protected via an approved security system. As outlined in Schedule E-2, employees must not disclose any operational information to outsiders, including other patients, third parties, friends/family. Non-authorized disclosure of any confidential and operational information regarding the grow site will result in termination from Primary Organic Therapy. In addition, visitors to the grow site must be pre-approved by Chief Operating Officer.

**Patient Confidentiality** – Protecting patient confidentiality is of utmost importance. Recognizing this, Primary Organic Therapy will explicitly outline the policies regarding patient information in the Employee Manual. Prior to working at the dispensary, all employees will undergo training which will encompass a thorough review of these policies. The policies surrounding patient confidentiality will be strictly enforced. The disclosure of confidential patient information will result in immediate termination.

In concordance with HIPPA law, employees are prohibited from disclosing patient information to other patients or any other third party. Additionally, employee access to patient records will be limited, with the use of unauthorized codes to view patient records/files prohibited. Lastly, employees will be prohibited from developing any type of personal relationship with current patients. Failure to comply with any of the policies around confidentiality and privacy, as outlined in the employee handbook will result in immediate termination.

All of our data- including confidential patient information will be maintained and processed on a secure, encrypted database that will be password protected and in compliance with HIPPA regulations. Access to database will be on a business need to know only basis; patient confidentiality will be taken seriously and in compliance with all federal and state regulations. In an effort to protect our patients and in keeping up with modern technology, an established internet firewall will prohibit the transmission, sharing or leakage of patient information through the internet. Moreover, our Chief Operating Officer will oversee who will have access to private and protected patient information and further will be observing logins and related computer activity. We plan to prohibit unauthorized duplication of data by disabling USB ports and CD-ROM's on facility computers. In the event our electronic data needs to be purged, we will take steps to ensure records are incapable of being recreated.

We will also ensure our physical records are properly maintained. As such, paper documents and patient records will be retained in a locked, protected cabinet(s). Those documents that will not be retained will be disposed of in a shredder and or a locked confidential bin (to be later destroyed in a secure manner). The act of leaving private healthcare

information left unprotected and or unattended will not be tolerated. Patient records are to not leave the premises and are of course subject to HIPPA regulations, federal and state guidelines.

To reiterate, our employees will receive adequate training regarding maintaining physical and electronic patient data. Primary Organic Therapy will not accept behaviors that are in direct violation of HIPPA or patient confidentiality regulations.

Policies surrounding confidentiality and privacy will be explained to all patients in order to ensure their understanding that their personal health information remains confidential and secure.

As described above under Measure 4, The Corporation will maintain strict security around access to patient identity and records. The following narrative articulates The Corporation's IT control environment:

- A. **IT Controls** - The Corporation's IT controls can be broken into four discreet categories.
1. Security – Logical and physical controls will be established to ensure that access to systems, applications, networks and data will be restricted appropriately.
  2. Change Management – For changes and or core modifications to existing systems and custom software and networks, controls will be implemented to evaluate, prioritize, test and document all changes, (including minor/major changes version upgrades, etc.).
  3. System Development – New hardware and software systems are put in place periodically to further support the business. To appropriately manage these implementations, controls and processes exist to ensure implementation occurs without undue risk to the business.
  4. Operations - Operational controls ensure that systems are performing as expected, that data is monitored and maintained accurately and completely, backup procedures exist and are executed regularly, and that data from external sources is loaded onto systems in a complete and accurate manner.

**MEASURE 6:** The Corporation consents to pay for state and federal background checks, including fingerprinting for all proposed and future registry card holders.

**MEASURE 7:** We recognized that medical marijuana is a complicated subject. Many patients may be new users and there is a lot of information in the public domain about marijuana. Our goal is to provide a wealth of information to our patients so that they can make the best decision for their personal care.

**Schedule E-6** shows examples of our education materials.

Each patient and caregiver that designates Primary Organic Therapy as their dispensary will receive an information packet that will include the following materials/guides:

- Corporate Privacy Policy
- Strain Tracking Sheets (upon request) – which will allow patients to keep track of strains used and their effects

- Strains of Medication – including potency and recommended dosages
- Information on how our marijuana and associate products meet organic certification standards
- Resource Materials – we will make available a host of resource materials for our patients and caregiver to get educated on medical marijuana. Examples include:
  - How to Use Marijuana
  - Drug Abuse & Addiction
  - Myths & Facts of Marijuana

Primary Organic Therapy will make available to our patients an in house mental health clinic and will include a variety of patient services. We intend on providing a comprehensive variety of resources to meet the needs of our patients, and understand they come from diverse backgrounds. As such, we plan to offer individual therapy, group therapy, community resources and referrals. New patients visiting clinic will be screened for services in an effort to best meet their complex needs, as well as to offer supportive services. Our intention is to always have a qualified professional available to assist our patients with all their needs at no cost.

Often patients turn to medical marijuana when they feel they have run out of options and with this comes a variety of emotional responses. Many of these patients are terminal or in a great deal of pain. In the mental health profession these are seen as two of the highest risk factors for suicides. Our supportive staff will be available to ensure such patients receive the assistance and support they need. We believe a compassionate and comprehensive approach – in addition to qualified staffing will add to a positive, healing experience.

One of the primary functions of the therapist will also be to assess and evaluate for drug addiction. All patients will be given hand-outs and other material they can take home and study. It is important to inform the patients on the potential of addiction and to educate them on the warning signs and symptoms and behavior to look for.

Another primary function will be a referral network, we will establish relationships with local services, and insure that there is a large network of resources in the community that will be made available to our patients. We also understand our low income population encounters additional barriers and so our staff will be trained to assist in reducing those hardships.

The purpose of incorporating a clinic into our dispensary is to better service our patients. The clinic will provide a safe and secure environment in which one can process their thoughts, and where they can ask the questions they want, and seek the information they need. It will also be used as portal for the latest information and research on the medical uses of marijuana.

As one final note, we recognize that Primary Organic Therapy will be offering a new service to the State of Maine. Members of the public, patients, and healthcare professionals alike will have questions pertaining to the therapy we offer. The Corporation believes community outreach to appropriate healthcare organizations and physician offices (upon consent/request) as a means of providing education and promoting responsibility would assist in preparing

residents with this change. Equally, we would like eligible patients and healthcare professionals to become aware of our comprehensive support team that enhances the therapy we offer.

Another primary function will be a referral network, we will establish relationships with local services, and insure that there is a large network of resources in the community that will be made available to our patients.

The purpose of incorporating a clinic into our dispensary is to better service our patients. The clinic will provide a safe and secure environment in which one can process their thoughts, and where they can ask the questions they want, and seek the information they need. It will also be used as portal for the latest information and research on the medical uses of marijuana.



Medical Marijuana Program  
Application/Renewal Form  
This application is for: **Registered Dispensary**



John E. Baldacci, Governor

Department of Health  
and Human Services

Maine People Living  
Safe, Healthy and Productive Lives

Brenda M. Harvey, Commissioner

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### Section 1 IDENTIFICATION INFORMATION

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Legal Name of Dispensary

Charter Number

**27-2902156**

**PRIMARY ORGANIC THERAPY, INC.**

Date of Incorporation

**April 28, 2010**

Business Location

(street)

**90 COMMUNITY DRIVE**

(city, state, zip code)

Telephone: **(888) 360 - 0650**

**SANFORD, MAINE 04073**

Mailing Address

**ONE CANAL PLAZA, SUITE 600**

(city, state, zip code)

**PORTLAND, ME 04101**

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### Section 2 ORGANIZATIONAL INFORMATION

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Name of Chief Executive Officer

Telephone number if different than above

**DEREK BROCK**

Mailing Address, if different than above

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Schedule A, Board of Directors and Officers

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Schedule B, Employees

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Schedule C, Bylaws of the Non-Profit Corporation

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Schedule D, Location of Grow Site, if different than Location of Dispensary

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Schedule E, Policies and Procedures

Schedule E-1: Personnel

Schedule E-2: Growing and Cultivation

Schedule E-3: Inventory Control

Schedule E-4: Food Preparation

Schedule E-5: Quality Control

Schedule E-6: Copies of Educational Materials

Schedule E-7: Critical Incident Reporting

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### Section 3 DISPENSARY INFORMATION

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Distance to the property line of preexisting public or private school: (must be more than 500 feet):

**2.4 miles**

Description of food products to be sold or furnished, if any:

**Foods infused with cannabis oil - brownies, cookies, lollipops, hard candy; Tinctures**

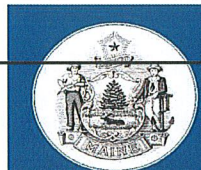
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Description of grounds and exterior lighting:

**The exterior of the building is well lit with customer parking in front of the building. The exterior lighting is sufficient to deter nuisance activity and facilitate surveillance. The facility is visible from the street. There are no residences in close proximity.**

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Address: 11 State House Station  
Description of intrusion monitoring system: The exterior of the facility will be equipped with cameras covering the parking area and both points of entry. There are only two points of entry to the business 1) main door: 2) fire exit. During business hours the main door will be posted with a Security Guard. During off-hours, the building will be locked and secured with an alarm that is monitored by a 3rd party security firm.

Description of interior monitoring and safety features:

The interior will be equipped with close circuit cameras covering all areas of the facility. The facility will include smoke detectors, carbon monoxid detectors, secure internal doors, and panic alarms. The facility will be equipped with fire estinguishers, first aid kits, evacuation maps, illuminated exit signs. All employees with be required to be certified in CPR.

Location of growing site:

90 COMMUNITY DRIVE, SANFORD, ME 04073

Provide the names of patients you have identified at this time who plan to designate you as their dispensary: (use additional pages, if necessary)

**Declaration:** I understand and acknowledge my duties and responsibilities as chief executive officer to patients and primary caregivers in accordance with the provisions of the Maine Medical Use of Marijuana Act. I understand that my board members, officers and employees may not have disqualifying drug offenses. I will notify the Department of Health and Human Services promptly and return the registration cards when there has been a change in status of a registry card holder. I declare under penalty of perjury that the information provided on this form is true and correct. I certify that I will not sell, furnish or give marijuana to a person who is not allowed to possess marijuana for medical purposes. I agree to allow my facility to be inspected by representatives of the Maine Department of Health and Human Services. I agree to provide soil and product samples to representatives of the Maine Department of Health and Human Services for testing pursuant to the rules governing Maine's Medical Use of Marijuana Program. I further agree I will report sales for sales tax purposes related to the sale of marijuana and related product:

DEREK BROCK

Printed name of Chief Executive Officer

Signature of Chief Executive Officer

Date

8/18/2010

This application shall be accompanied by a non-refundable check made payable to the Treasurer, State of Maine. This application will not be accepted as complete unless all Exhibits are attached. Please mail to:

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	Start Up Year 7/1/10 to 6/30/11	First Full Fiscal Year 7/1/11 to 6/30/12	Second Full Fiscal Year 7/1/12 to 6/30/13
Revenue:			
Marijuana Sales (in any form) to registered patients and registered caregivers	\$ 493,244	\$ 1,945,044	\$ 2,453,211
Paraphanelia Sales	\$ 4,321	\$ 8,642	\$ 9,506
Other Sales	\$ 2,099	\$ 4,198	\$ 4,618
Other Income (Loans)	\$ 350,000	\$ -	\$ -
Total Revenue	\$ 849,664	\$ 1,957,884	\$ 2,467,335
Expenses:			
Payroll, taxes and fringe benefits	\$ 345,091	\$ 693,222	\$ 777,014
Cultivation	\$ 102,667	\$ 352,234	\$ 376,813
Supplies	\$ 11,000	\$ 12,300	\$ 12,915
Office Expenses	\$ 7,876	\$ 15,676	\$ 16,998
Security	\$ 133,374	\$ 163,699	\$ 171,346
Utilities	\$ 16,878	\$ 35,454	\$ 38,999
Insurance	\$ 5,099	\$ 6,213	\$ 6,897
Interest	\$ 35,000	\$ 70,000	\$ 70,000
Depreciation/Amortization	\$ 2,354	\$ 3,566	\$ 4,501
Leasehold Expenses	\$ -	\$ -	\$ -
Rent	\$ 51,087	\$ 58,050	\$ 60,952
Bad Debt	\$ 1,234	\$ 2,143	\$ 2,441
Maine Sales Tax	\$ 50,980	\$ 117,473	\$ 148,040
Charitable Giving	\$ 42,345	\$ 321,121	\$ 525,464
Total Expenses:	\$ 804,985	\$ 1,851,151	\$ 2,212,381
Net:	\$ 44,679	\$ 106,733	\$ 254,954
Personnel Categories	# of FTE's		
Administration	4	6	6
Sales	5	7	7
Cultivation	4	5	5
Number of Patients	400	550	700
Estimated Price/Ounce	\$ 350	\$ 325	\$ 300

## Schedule A

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

## Schedule A: Board of Directors

**DEREK BROCK – (10/25/1977) 154 Rogers Rd, Kittery ME 03904**

**Board Member, Chief Operating Officer, Head of Growth Operations**

Derek graduated with honors from the University of New Hampshire with a Bachelor of Science degree in plant biology in 1996. Derek has been the Vineyard Manager and Assistant Winemaker at Jewell Towne Vineyards (New Hampshire's oldest commercial winery) for the past 10 years. He is responsible for the growth, management and harvest of over 30 varieties of grapes on a five acre vineyard. He has a strong background in chemistry and plant genetics as well as food and fermentation science. Derek is a certified licensed pesticide applicator in the state of New Hampshire. Derek attends numerous required seminars yearly to maintain his current license and is conscious of the implications of conventional pesticide use involved with producing a consumable premium crop.

He currently practices both conventional and organic growing practices in the vineyard. Integrated pest management (IPM) is one fundamental process used in his intensely managed vineyard to create premium wine grapes. IPM is an effective and environmentally sensitive approach to pest management that relies on a combination of common-sense practices. IPM programs use current, comprehensive information on the life cycles of pests and their interaction with the environment. This information, in combination with available organic pest control methods, is used to manage pest damage by the most economical means, and with the least possible hazard to people, property, and the environment. This can be done using cultural and biological measures to avoid using noxious chemical control and can easily be extrapolated to any crop.

Derek will draw on his managerial and growing experience in his role as CEO of The Corporation.

**SCOTT REED – (06/02/1974), 70 Shortill Farms Rd, Buxton, ME 04093**

**Board Member, Head of Retail Operations**

Scott is currently a wealth manager for Harborview Investments in Portland ME where he is series 7 & 66 licensed stock broker. Scott joined the financial services industry after spending seven years with Wild Oat's Markets Inc. before they were acquired by Whole Foods Markets. While at Wild Oats Scott opened up their first location in Portland, as the store director where he and his staff spent countless amounts of their time volunteering in the community and spearheading fundraisers to raise money for those in need. Scott was later promoted to the Director of Operations for the eastern region, overseeing sixteen stores across six states. While working for Wild Oats, Scott was recognized company wide with the store director of the year award and outstanding leadership award. Prior to joining Wild Oats Scott spent 13 years with Shaw's supermarket working in various positions and store leadership roles. Scott was born and raised in mid-coast ME, attended Central Connecticut University, and has lived in Buxton, ME for the past eight years. Scott is currently an

active member in the Portland Chamber of Commerce, Hollis Lions Club, and Buxton Masonic Lodge, where he enjoys volunteering his time and helping others.

Scott will be Head of Retail Operations, drawing on his vast experience in the food industry.

**JESSICA WOOD – (09/21/1977), 213 Alfred St, Biddeford, ME 04005**

**Board Member**

Jessica earned her undergraduate degree in Criminology from the University of Southern Maine in 2000 and later graduated with honors with her masters in Criminal Justice from Boston University in 2008. Currently Jessica holds a position as a Financial Crimes Investigator for Key Bank; she serves as a point of contact for half of Maine's Key branches, as well as performing investigative services for financial crimes committed against the bank. Her role includes providing fraud prevention and a wide range of trainings to Key employees as well as to members of the public for proactive measures. Her role requires her to work closely with law enforcement professionals in the southern Maine region and undergo fraud trainings to keep current with modern crime trends. In the fall of 2010, Jessica will be writing a column for the Southern Maine Agency on Aging newsletter devoted to helping seniors avoid becoming victims of economic crimes.

While Jessica currently works for a for-profit entity, her background includes a strong non-profit healthcare background. Jessica served as a care manager for Care Partners (a Maine Medical Center program) assisting a low income, uninsured population. Care Partners provides primary and specialist care, as well as low cost medication in an effort to assist those in need. While in her role as a care manager, Jessica taught a class at the Dana center for the public as a means of teaching the uninsured how to obtain free/low cost healthcare services, and coordinated with other non-profit organizations to meet client's needs. Jessica has experience in working with a range of healthcare professionals in the greater Portland community- as well knowledge of state and federally funded programs such as Medicare and MaineCare. Through her roles, Jessica has a deep understanding of those who come from varying populations and the resources the state of Maine has to offer its residents.

Jessica was born and raised in southern Maine, is a current volunteer for Kennebunk Animal Welfare Society and is a board member of Precious Paws Rescue and Adoption in Van Buren, Maine.

Jessica will leverage her education in criminology and experience as a financial crimes investigator to help the Corporation protect itself from internal and external threats. Her training will be critical in helping The Corporation create processes that prevent unlawful activity. Jessica will also leverage her six years of experience as a Care Manager with Maine Medical Center/Care Partners to help The Corporation work cooperatively with our patients and caregivers.

**ANTHONY LUSARDI – (08/21/1945), 213 Alfred St, Biddeford, ME 04005**

**Board Member**

Anthony retired and relocated to Maine full time in 2000. Prior to retirement, Anthony was employed as a pipe-fitter in Local 537 of Boston, MA. Anthony lived in Easton, MA for over 25 years where he raised three children. During his years in Easton, Anthony was very active in a number of civic organizations. Anthony was President of Easton Youth Baseball, a non-profit organization, for over 15 years. During his tenure with Easton Youth Baseball, Anthony was instrumental in developing the league. Anthony was responsible for doubling the size of the facilities and the number of children participating in the league. More importantly, Anthony developed a program to allow economically disadvantaged children to participate in the league for free. In 1990, Anthony was recognized as Humanitarian of the Year by the Easton Lions Club for his many activities in the community. Anthony is now an active member of the Maine community, volunteering in several community organizations (including Bridgeton Recreation Advancement Group, Saint Joseph's Food Pantry, and Bridgeton Lion's Club).

Anthony will lend his guidance and insight into running a non-profit organization. Additionally, Anthony will be responsible for The Corporation's community relations and philanthropic activities.

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**Credentials:**

**10+ years Licensed Pesticide Applicator**

**50+ hours traditional and organic pesticide education**

**Design and construction of 80kW supplemental lighting system for CO<sub>2</sub> enriched hydroponic poinsettias in the University of New Hampshire's greenhouses**

**Two-year Honors thesis project; *The Breeding and Cytogenetics of Anagallis monelli***

**Education:**

May 2000

**UNIVERSITY OF NEW HAMPSHIRE  
DURHAM, NH**

Bachelor of Science, magna cum laude. Concentration in Plant Biology.

Honors Degree

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recommendations for improvements.

- Awarded **“Outstanding Leadership Award”** in 2006 (only one in the company), for continuing to raise the bar with store conditions, profitability, implementing outside the box standards and practices, and being a "change pioneer".

**Store Director - Westport, CT (2001-2003)**

*Made a career change for the opportunities of advancement and the opportunity to move back to Maine.*

- Opened prototype store with staff of 220.
- Worked closely with construction and new store operations team, in order to have facility and staff prepared for a successful grand opening.
- Maintained high associate morale during heavy union campaign.
- Upheld top quality daily store standards on a consistent basis, exceeding SOE evaluations.

**Shaw's Supermarket, East Bridgewater, MA** **1988 to 2001**

*Major New England supermarket chain with 200 stores throughout New England, over 30,000 employees and annual sales in the \$4 billion range.*

- Started out at ground level, worked way up into store management by learning each department, and exceeding expectations in each role and challenge that was presented.
- Selected as a member of regional grocery reset team, to assist with resets, new store set up, and remodels.
- Regional Trainer for newly hired assistant Store Managers.

**OTHER INFORMATION:**

**Education:** Central Connecticut State University and Fairfield University.

**Organizations:** Lions, Masons, Chamber of Commerce

**Training Classes & Seminars:** Human Resource Management, Dale Carnegie, Corrective Discipline, Union Relations, Loss Prevention, Time Management.

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## EDUCATION & OTHER

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1996-2000                      University of Southern Maine              Portland, ME

***BA in Criminology; GPA 3.2***

2007- 2009                      Boston University                      Boston, MA

***MA Criminal Justice; GPA 3.9***

- Current Board Member of Precious Paws & Adoption in St. John Valley, ME; grant writing experience.
- Volunteer for Kennebunk Animal Welfare Society since fall 2004.

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## Schedule B

**Primary Organic Therapy**

One Canal Plaza

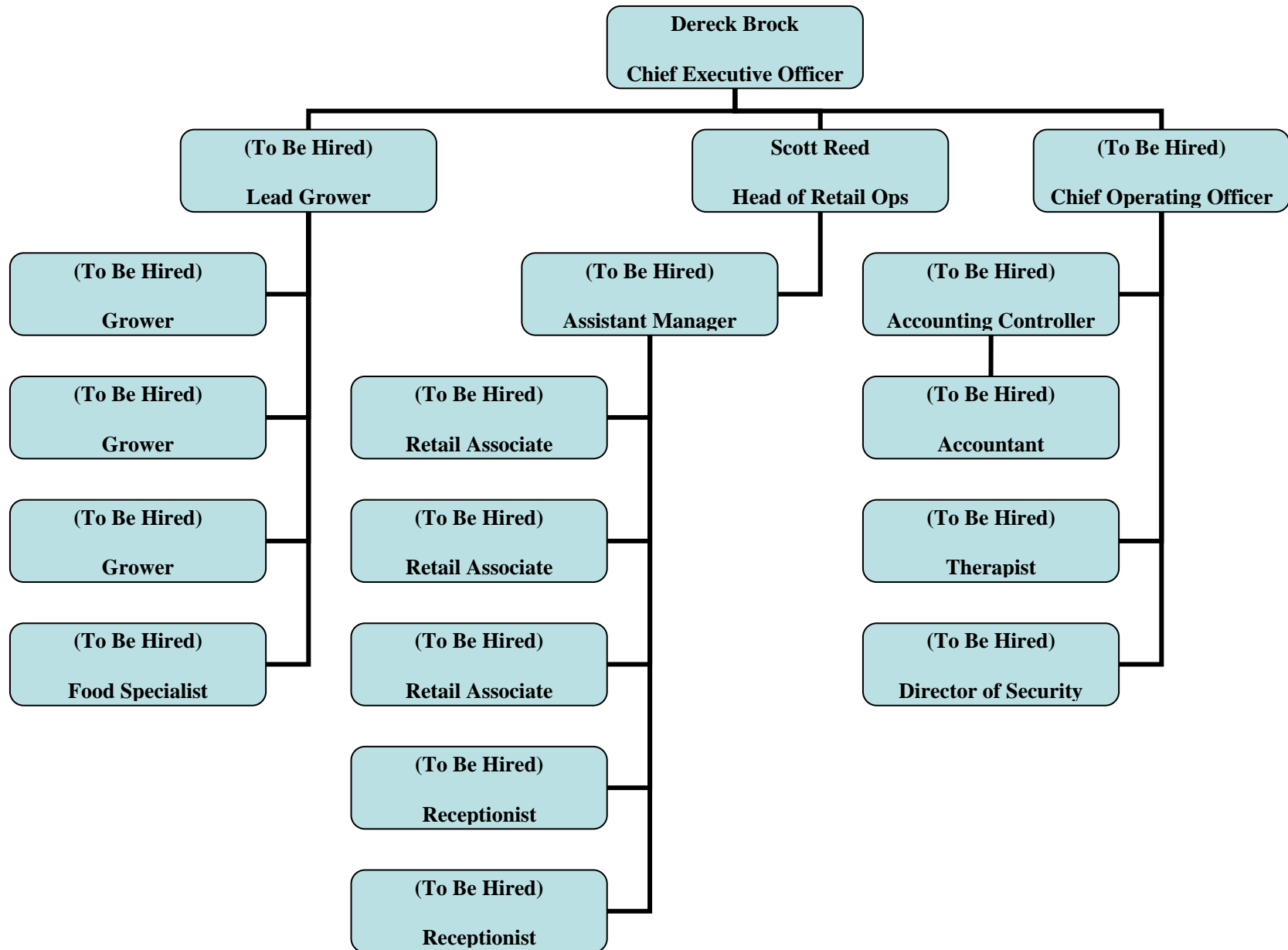
Suite 600

Portland, ME 04101

## Schedule B: Employees, Agents and Volunteers

All personnel will be a registered with the State of Maine. The Corporation will operate as a drug and alcohol free workplace. The Corporation will conduct annual, unannounced drug tests for all dispensary board members, principal officers and employees by an approved Employee Assistance Program. **Schedule E-1** describes our drug policy in detail.

The Corporation's organizational chart follows:





All personnel will be a registered with the State of Maine. The Corporation will operate as a drug and alcohol free workplace. The Corporation will conduct annual, unannounced drug tests for all dispensary board members, principal officers and employees by an approved Employee Assistance Program.

The Growth Operations will be open for cultivation during the following business hours. The staffing plan contemplate at least one supervisor (Head of Growth Ops or Lead Grower), and two growers will be on duty during all 74 hours of Growth Operations.

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>Open</b>	11am	8am	8am	8am	8am	8am	8am
<b>Close</b>	7pm	7pm	7pm	7pm	7pm	7pm	7pm

The Dispensary will be open for retail sales during the following business hours. The staffing plan contemplate at least one supervisor (Head of Retail or Assistant Manager), two retail associates, and one receptionist will be on duty during all 60 hours of Dispensary business hours each week.

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>Open</b>	12pm	9am	9am	9am	9am	9am	9am
<b>Close</b>	6pm	6pm	6pm	6pm	6pm	6pm	6pm

## Schedule C

**Primary Organic Therapy**  
One Canal Plaza  
Suite 600  
Portland, ME 04101

**Approved by the Board of Directors  
On June 9, 2010**

**Draft #1 – June 10, 2010**

**Bylaws of Primary Organic Therapy, Inc.**

**ARTICLE I  
*NAME***

The name of the Corporation shall be Primary Organic Therapy, Inc. (hereinafter the Corporation).

**ARTICLE II  
*CORPORATE PURPOSE***

**Purpose**

The Corporation is a non-profit, non-political organization as described in the Articles of Incorporation. The purpose of the Corporation is defined as any lawful purpose permitted by the Maine Nonprofit Corporation Act (the “Act”) including, but not limited to, the development of a registered dispensary system for medical marijuana. The dispensary system and its related operations shall be conducted in a manner so as to provide a mutual benefit to the members and patrons of the system.

**ARTICLE III  
*OFFICES***

**3.1 Principal Office**

The principal office of the Corporation shall be in Portland, Maine.

**3.2 Registered Office**

The Corporation shall have and continuously maintain in the State of Maine a registered office and a registered agent as required by the Act. The registered office of the Corporation in the State of Maine may be (but need not be) the same as the principal office.

**3.3 Other Offices**

The Corporation may also have offices at such other places as the Board may select and the business of the Corporation shall require.

## **ARTICLE IV**

### ***MEMBERS***

#### **Members**

The Corporation shall have no members.

## **ARTICLE V**

### ***BOARD OF DIRECTORS***

#### **5.1 Board of Directors**

The business and affairs of the Corporation shall be managed under the direction of a Board of Directors comprised of not fewer than three (3) and not more than five (5) Directors. In the Board's discretion, the number of directors may be increased and filled by the Board at any time. The term of a director elected to fill a newly created directorship shall be as provided for in Section 5.4.2.

#### **5.2 Qualifications of Directors**

Each Director shall be an individual of at least 18 years of age and must be a resident of the State of Maine.

#### **5.3 Replacement Directors**

Upon resignation of an existing Director, a replacement director shall be nominated consistent with the procedures established by the Board and elected at the next Annual or regularly scheduled meeting of the Board of Directors.

#### **5.4 Resignation of a Director**

Any Director may resign from the Board at any time by delivering written notification to the President. The resignation shall be effective upon receipt by the President or at such time as may be specified in the notice of resignation.

The failure of any Director to attend three (3) consecutive Board meetings without good cause shall be deemed to constitute a voluntary resignation from the Board at the discretion of the remaining Board members.

#### **5.5 Removal of a Director**

Any Director may be removed at any time, with or without cause, by a vote of a two-thirds (2/3) majority of the entire Board. Upon request, the Director to be removed may have an opportunity to be heard at a meeting of the Board, but no formal hearing procedure shall be required.

## **5.6 Place, Time and Mode of Meetings**

### **5.6.1 Annual Meeting of the Board of Directors**

The annual meeting of the Board of Directors shall be held at such time and location as the Directors may determine.

### **5.6.2 Regular Meetings of the Board**

The Board of Directors shall meet quarterly.

### **5.6.3 Special Meetings of the Board**

Special meetings of the Board may be called by the President or at the request of thirty percent (30%) of the directors serving on the Board and eligible to vote. The person or persons authorized to call and calling such a meeting may fix the time and place for holding the special meeting.

### **5.6.4 Conduct of Meetings**

Meetings may be conducted by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other during the meeting. Participation by such means shall constitute presence of a Director in person at the meeting.

## **5.7 Notice**

Notice of the time and place of each regular or annual meeting of the Corporation and the Board shall be provided to each Director at his or her residence or usual place of business at least ten (10) days before the day on which the meeting is to be held. Such notice shall include to the extent possible, a written agenda stating all matters upon which action is to be taken. Notice for purposes of a special meeting addressing matters requiring prompt action may be sent by the Secretary or the Secretary's designee electronically or by telephone no less than three (3) days' preceding the meeting. An objection as to the failure to provide notice of any such meeting is waived by a Director who attends the meeting without protesting either prior to the meeting or upon commencement of the meeting. Oral notice may be communicated in person or by telephone, wire or wireless equipment and is effective when communicated. If written notice is required, it may be mailed (electronic or postal) or by such other electronic means as permitted by law and in a manner where a record of said notice can be maintained. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope properly addressed, and with postage prepaid. If notice is sent by electronic facsimile or other electronic means, it shall be deemed delivered when verification of successful transmission is received and recorded.

## **5.8 Quorum and Voting**

### **5.8.1 Quorum**

The presence in person or represented electronically of not less than fifty percent of the Directors duly elected and qualified shall constitute a quorum for the transaction of business. Unless otherwise provided by law, the Articles of Incorporation or these Bylaws, actions by the Board of Directors shall be taken by majority vote of the Directors present at a meeting at which a quorum is present.

### **5.8.2 Voting**

Each director shall have one vote and such voting may not be done by proxy. Votes may be taken by voice, written or electronically.

### **5.9 Consent of Directors in Lieu of Meeting**

Any action which may be taken at a meeting of the Directors may be taken without a meeting; if a consent written or electronically verified setting forth the action so taken is signed by all Directors and filed with the Secretary of the Corporation.

### **5.10 Standards of Conduct**

Each Director shall discharge their duties in good faith with the care of an ordinarily prudent person in a like position and in similar circumstances, and, in a manner the Director reasonably believes to be in the best interest of the Corporation. Such duties shall also be carried out by the Director consistent with the Corporation's conflict of interest policy and such other policies as adopted by the Board and designed to protect the interests of The Corporation, its affiliated organizations and the people it serves.

## **ARTICLE VI**

### ***DUTIES OF BOARD OF DIRECTORS***

### **6.1 Powers and Duties**

The Board of Directors shall have the power and duties necessary and appropriate for the administration of the affairs of the Corporation. All powers of the Corporation, except those specified in the Articles of Incorporation or these Bylaws shall be vested in the Board of Directors.

### **6.2 Transaction of Business**

The Board of Directors shall have the power to purchase and to lease, pledge and sell all such personal and real property and to make all such contracts and agreements on behalf of the Corporation as the Board may deem needful or convenient for the execution of the purposes and operations of the Corporation. The Board of Directors shall assure proper administration of the financial resources of the Corporation including all donations and bequests.

### **6.3 Bonds**

The Board of Directors may require adequate bonds or other sufficient surety or sureties for any officer and such other employees of the Corporation as the Board of Directors deems appropriate.

### **6.4 Committees**

The Board of Directors may, from time to time, by policy or resolution adopted by a majority of all Directors, provide for the duties and responsibilities of any and all standing and special committees of the Board. Except to the extent stated in such resolution, however, no such committees shall have the power to obligate the Corporation

to any financial outlay or to commit the Corporation to any program unless specifically authorized and subject to approval of the Board. The Board of Directors will have the power at any time to dissolve any such committee.

## **ARTICLE VII**

### ***OFFICERS***

#### **7.1 Officers**

The officers shall be a President, Vice President and Treasurer/Secretary. The Officers shall be elected by the Board of Directors at the first meeting of the Board and annually thereafter. Such officers shall hold office for one (1) year or until successors are duly elected and qualified. Officers may be elected for consecutive terms.

#### **7.2 Vacancies**

Any vacancy in any office may be filled by the Board of Directors for the unexpired term. The Board of Directors may appoint such other officers as it may deem advisable and determine and specify their powers and duties.

#### **7.3 Removal**

Any officer elected or appointed by the Board of Directors may be removed with or without cause at any time by an affirmative vote of a majority of the Board of Directors.

## **ARTICLE VIII**

### ***POWERS AND DUTIES OF OFFICERS***

#### **8.1 President**

The President shall, when present, preside at the meeting of the Corporation and the Board of Directors. In the President's absence and in the absence of the Vice President, a president pro tempore shall be appointed by vote of the meeting. The President may execute all authorized instruments, agreements and contracts in the name and on behalf of the Corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors.

#### **8.2 Treasurer/Secretary**

The Treasurer/Secretary shall have the supervision and control of the collection, holding, and disbursement of all funds of the Corporation and shall ensure an accurate accounting of all financial transactions of the Corporation. In addition, this officer or the officer's designee will attend all meetings of the Corporation and the Board of Directors and record in books kept for that purpose all votes and proceedings of the Corporation and the Board of Directors. The Secretary shall give notice of all meetings; and certify all votes, resolutions and actions of the Corporation and Board of Directors as necessary. The Secretary or the Secretary's designee shall have custody of the Corporate Seal and shall have authority to affix the same of any instrument requiring it to be so affixed and to

attest the affixing. The Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by the officer's signature

## **ARTICLE IX**

### ***INDEMNIFICATION***

#### **9.1 General Rule**

A Director shall not be personally liable for monetary damages as a Director for any action taken, or any failure to take any action, unless (a) the Director has intentionally breached or failed to perform the duties of Director in accordance with any standards of conduct as may be provided for in the Act, the Federal Volunteer Protection Act, 42 USCA Sec. 14501, these Bylaws or such other policies as adopted by the Board governing a Director's conduct; or (b) the Director's conduct rises to the level of a breach or failure to perform constituting self-dealing, willful misconduct or recklessness.

#### **9.2 Indemnification**

The Corporation shall indemnify any person who may serve or who has served at any time as a Director or Officer of the Corporation against any and all expenses, including but not limited to attorney fees, amounts paid upon judgments and amounts paid in settlement before or after any litigation is commenced, actually and necessarily incurred by said person in connection with defense or settlement of any claim, action, suit or proceeding in which said person is made a party, is threatened to become a party or which may be asserted against said person by reason of serving in such capacity if said person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation and with respect to any criminal action or proceeding had no reasonable cause to believe such conduct to be unlawful. Said indemnification shall be in addition to any other rights to which the person indemnified may be entitled under law, statute, agreement, vote of the Directors or otherwise. The indemnification and advancement of expenses provided for subsequently shall continue as to any person who has ceased to be an Officer or Director of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.

##### **9.2.1 Procedure for Indemnification**

Unless ordered by a court, any indemnification under Section 9.2 or otherwise permitted by law shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because the Officer or Director has met the applicable standard of conduct set forth under that Section. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the action or proceeding; or if such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

##### **9.2.2 Advancement of Expenses**

The Corporation shall advance expenses incurred by an Officer or Director who may be eligible for indemnification in defending a proceeding unless such proceeding is brought against the person by or in the right of the Corporation.



Such expenses may be advanced in any case in which the Corporation decides indemnification may be appropriate, in advance of the final disposition of such proceeding. Amounts so advanced shall be subject to repayment if it is ultimately determined that the Officer or Director is not entitled to be indemnified by the Corporation.

## **ARTICLE X**

### ***MISCELLANEOUS***

#### **10.1 Seal**

The Seal of The Corporation shall bear the name of the Corporation and the year of its incorporation.

#### **10.2 Non-discrimination**

No person shall be excluded from the services of the Corporation because of race, color, sex, age, sexual orientation, mental or physical disability, creed or national origin. There shall be no segregation of those served on the basis of race, color, sex, age, mental or physical disability, creed or national origin, nor shall there be discrimination with regard to hiring, assignment, promotion or other conditions of staff employment.

#### **10.3 Amendments**

The Bylaws shall be amended or repealed by a majority of the Board of Directors at any meeting provided that the Directors receive fourteen (14) days' written notice of the proposed changes.

#### **10.4 Rules of Order**

The rules contained in Robert's Rules of Order shall govern the Corporation in all cases to which they are applicable and in which they are consistent with the Bylaws or special rules of order of the Corporation.

#### **10.5 General Provisions: Rules of Construction**

Wherever used, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders. In interpreting these Bylaws, the headings of the Articles shall not be controlling.

#### **10.6 Finances**

The fiscal year of The Corporation shall end on December 31 unless otherwise fixed by resolution of the Board of Directors.

#### **10.7 Policies**

The Corporation may, from time to time, implement policies including a conflict of interest policy for the conduct and functioning of the Board of Directors. Policies shall be adopted, amended or repealed by a majority of the Board of Directors at any meeting.

## **10.8 Disposition of Assets**

The Corporation shall utilize its business resources so as to ensure the Corporation's non-profit status and in support of the activities promoting the corporate purposes provided for herein. In the event of a dissolution, a disposition of the Corporation's assets shall be specified in a resolution to dissolve.

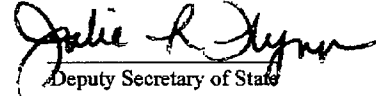
**DOMESTIC  
NONPROFIT CORPORATION**

**STATE OF MAINE**

**ARTICLES OF INCORPORATION**

**Filing Fee \$40.00**

File No 20100411ND Pages 3  
Fee Paid \$ 40  
DCN 2101201600008 ARTI  
-----FILED-----  
04/29/2010

  
Deputy Secretary of State

A True Copy When Attested By Signature

  
Deputy Secretary of State

Pursuant to 13-B MRSA §403, the undersigned incorporator(s) execute(s) and deliver(s) the following Articles of Incorporation:

**FIRST:** The name of the corporation is Primary Organic Therapy, Inc.

**SECOND:** ("X" one box only. Attach additional page(s) if necessary )

☐ The corporation is organized as a public benefit corporation for the following purpose or purposes:

☒ The corporation is organized as a mutual benefit corporation for all purposes permitted under Title 13-B or, if not for all such purposes, then for the following purpose or purposes:

**THIRD:** The Registered Agent is a: (select either a Commercial or Noncommercial Registered Agent)

☐ Commercial Registered Agent CRA Public Number: \_\_\_\_\_

\_\_\_\_\_  
(name of commercial registered agent)

☒ Noncommercial Registered Agent

Marcus Clegg & Mistretta, P.A.,

\_\_\_\_\_  
(name of noncommercial registered agent)

One Canal Plaza, Ste 600, Portland, ME 04101

\_\_\_\_\_  
(physical location, not P.O. Box – street, city, state and zip code)

\_\_\_\_\_  
(mailing address if different from above)

**FOURTH:** Pursuant to 5 MRSA §108.3, the registered agent as listed above has consented to serve as the registered agent for this nonprofit corporation

**FIFTH:** The number of directors (not less than 3) constituting the initial board of directors of the corporation, if the number has been designated or if the initial directors have been chosen, is 3.

The minimum number of directors (not less than 3) shall be 3 and the maximum number of directors shall be 3.

**SIXTH:** Members: ("X" one box only.)

- ☒ There shall be no members.  
☐ There shall be one or more classes of members and the information required by 13-B MRSA §402 is attached.

**SEVENTH:** (Optional) ☐ (Check if this article is to apply )

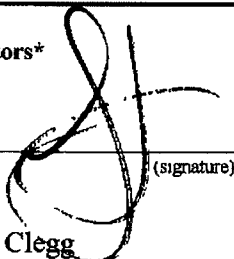
No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office

**EIGHTH:** (Optional) ☐ (Check if this article is to apply.)

Other provisions of these articles including provisions for the regulation of the internal affairs of the corporation, distribution of assets on dissolution or final liquidation and the requirements of the Internal Revenue Code section 501(c) are set out in Exhibit \_\_\_\_\_ attached hereto and made a part hereof.

**Incorporators\***

**Dated** 4/28/10



(signature)

Jennie L. Clegg

(type or print name)

**Street** One Canal Plaza, Suite 600

(residence address)

Portland, Maine 04101

(city, state and zip code)

**Street** \_\_\_\_\_

(residence address)

(signature)

(type or print name)

(city, state and zip code)

(signature)

(type or print name)

**Street** \_\_\_\_\_

(residence address)

(city, state and zip code)

**For Corporate Incorporators\***

Name of Corporate Incorporator \_\_\_\_\_

By \_\_\_\_\_  
(signature of officer)

Street \_\_\_\_\_  
(principal business location)

\_\_\_\_\_  
(type or print name and capacity)

\_\_\_\_\_  
(city, state and zip code)

Name of Corporate Incorporator \_\_\_\_\_

By \_\_\_\_\_  
(signature of officer)

Street \_\_\_\_\_  
(principal business location)

\_\_\_\_\_  
(type or print name and capacity)

\_\_\_\_\_  
(city, state and zip code)

---

**\*Articles are to be executed as follows:**

If a corporation is an incorporator (13-B MRSA §401), the name of the corporation should be typed or printed and signed on its behalf by an officer of the corporation. The articles of incorporation must be accompanied by a certificate of an appropriate officer of the corporation, not the person signing the articles, certifying that the person executing the articles on behalf of the corporation was duly authorized to do so

Please remit your payment made payable to the Maine Secretary of State.

Submit completed form to:

**Secretary of State  
Division of Corporations, UCC and Commissions  
101 State House Station  
Augusta, ME 04333-0101  
Telephone Inquiries: (207) 624-7752**

Email Inquiries: [CEC.Corporations@Maine.gov](mailto:CEC.Corporations@Maine.gov)

## Schedule D

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

## **Schedule D: Location of Growth Site**

The growth site is the same location of the Dispensary:  
90 Community Drive  
Sanford, ME 04073

Included below are the following two documents:

1. Letter of Intent
2. Applicable Zoning Laws

Patterson Companies, LLC  
1293 Main Street  
Sanford, ME 04073

August 4, 2010

Derek Brock, CEO  
Primary Organic Therapy, Inc.  
One Canal Plaza  
Suite 600  
Portland, ME 04101

**RE: Letter of Intent to Lease Facility to Primary Organic Therapy, Inc. for Use for Marijuana Cultivation and Distribution at 90 Community Drive, Sanford, ME**

Mr. Brock,

This constitutes a **Letter of Intent (LOI)** confirming that **Patterson Companies, LLC (Landlord)** is prepared to enter into a lease to **Primary Organic Therapy, Inc.** of a portion of the building located at **90 Community Drive in Sanford, Maine (Premises)**. The lease will permit **Primary Organic Therapy, Inc.** to operate a site for growing and cultivating marijuana, as well as distributing the finished product at the **Premises** under the regulations and policies of the **Maine Medical Marijuana Program (MMMP)**, as administered by the **Maine Department of Health and Human Services (DHHS)**.

The **Landlord** and **Primary Organic Therapy, Inc.** have agreed to work out mutually agreeable economic terms by which the **Landlord** will lease the **Premises** to **Primary Organic Therapy, Inc.**, assuming that **Primary Organic Therapy, Inc.** is successful in obtaining authorization to operate a medical marijuana dispensary by the Maine DHHS and the **Premises** are further approved for growing and cultivating marijuana. **Landlord's** business arrangement with **Primary Organic Therapy, Inc.** is solely as **Landlord** and **Landlord** does not have any ownership interest in the proposed dispensary or marijuana growing operation. **Landlord's** economic benefit from the



operation of the dispensary and the marijuana growing/cultivation operation will be from monthly rental payments.

Application to DHHS for approval of operation in District 1 (York County) are due August 20, 2010 and DHHS will make a decision by September 1, 2010. If **Primary Organic Therapy, Inc.'s** application is approved by DHHS, **Landlord** and **Primary Organic Therapy, Inc.** will work diligently to conclude drafting and finalization of a mutually acceptable lease as soon as practicable thereafter.

**Landlord** further confirms that the **Premises** are not within 500 feet of a preexisting public or private school boundary and is otherwise in compliance with all local codes and ordinances. **Landlord** will work cooperatively with **Primary Organic Therapy, Inc.** and local authorities with respect to the securing of any and all local permits and approvals that may be necessary to grow marijuana at the **Premises** consistent with the requirements of the DHHS regulations.

Sincerely,

**Patterson Companies, LLC**

By

  
\_\_\_\_\_  
Greg Patterson, Member

**SEEN AND AGREED TO:**  
**Primary Organic Therapy, Inc.**

  
\_\_\_\_\_  
By:

Derek Brock  
CEO  
Primary Organic Therapy, Inc.

**§ 280-51 Industrial Business Zone (IB).****A.**

Purpose. The purpose of the Industrial Business (IB) Zone is to provide areas for traditional industrial and business park development in a well-planned environment where public water supply and sewerage are available or can be provided.

**B.**

Permitted uses. Uses shown on the Table of Land Uses at the end of this chapter as being permitted uses shall be permitted by right in the Industrial Business (IB) Zone.

**C.**

Uses permitted with review. Uses shown on the Table of Land Uses at the end of this chapter as being permitted uses in the Industrial Business (IB) Zone with review shall be permitted but only upon the receipt of approval of a development plan in accordance with the provisions of Article [XVII](#) of this chapter.

**D.**

Conditional uses. Uses shown on the Table of Land Uses at the end of this chapter as being conditional uses in the Industrial Business (IB) Zone shall be permitted only if a conditional use permit for that use is approved by the Planning Board in accordance with the provisions of Article [XIV](#) of this chapter.

**E.**

Prohibited uses. Any use not listed as a permitted use, a use permitted with site plan approval, or a conditional use in the Industrial Business (IB) Zone shall be prohibited within the Industrial Business (IB) Zone.

**F.**

Standards. All buildings and structures shall be erected, structurally altered, enlarged, or moved and all land within the Industrial Business (IB) Zone shall be used in accordance with the following standards.

**G.**

Space and bulk standards.

**(1)**

Minimum lot size: 40,000 square feet.

**(2)**

Minimum street frontage: 200 feet.

**(3)**

Front setback (principal and accessory buildings): 50 feet.

**(4)**

Minimum side and rear setbacks.

**(a)**

Principal buildings: 50 feet.

**(b)**

Accessory buildings and structures: 20 feet plus one additional foot for each foot of building height in excess of 30 feet except where residential buffer requirement applies.

**(5)**

Maximum height.

**(a)**

Principal buildings: 55 feet.

**(b)**

Accessory buildings and structures: as determined by the Planning Board.

**H.**

Development standards. In addition to the space and bulk standards set forth in Subsection [G](#), the following standards

shall apply as indicated:

(1)

Street line landscaped area. A strip of land not less than 25 feet in width shall be maintained as a vegetated area adjacent to the front property line. This area shall be appropriately landscaped and maintained as a vegetated area. Where tree lines exist along existing streets or roads, an effort shall be made to preserve this feature and suitable provisions made to protect it through deed covenants or easements. This vegetated area shall not be used as parking, for the storage or display of materials, or for the location of dumpsters or similar items. Access drives or streets may cross this area, but drives or accessways providing internal circulation shall not be located within this area.

(2)

Residential buffer. A fifty-foot buffer strip shall be maintained along any lot line adjoining a lot located in a residential zone. This buffer strip shall be maintained as a vegetated area and shall not be used for parking, storage, or display of materials or the placement of dumpsters or similar items. A visual barrier shall be established within the buffer strip by landscaping and/or fencing.

(3)

Access limitations to Routes 4 and 109. In addition to the general access limitations set forth in §§ [280-75](#) and [280-76](#), any nonresidential use located on a lot with frontage on Route 4 or 109 shall provide for the coordination of vehicular access with abutting properties where feasible through the use of shared or combined access drives, the creation of marginal access roads, or the interconnection of parking and service areas. The Planning Board or Site Plan Review Committee (if the project is classified as a minor development in accordance with § [280-97](#)) may waive this requirement during site plan review under Article [XVII](#) if access is not feasible because of existing conditions, the layout of lots, or physical conditions of the site or adjoining lots.

(4)

Maximum height of accessory buildings and structures. In approving the height of accessory buildings and structures, the Planning Board shall not allow any encroachment above the imaginary surface of the Sanford Regional Airport as specified in Section 77.13 of Part 77 of the Federal Aviation Regulations unless the Board finds that such encroachment will not have a detrimental impact on the instrument landing approach minimums currently in use or likely to be in use in the future.

I.

Performance standards. Uses within the Industrial Business (IB) Zone shall conform to all applicable performance standards of this chapter, including but not limited to the following:

(1)

Section [280-86](#), Groundwater protection standards.

(2)

Section [280-87](#), Watershed performance standards.

(3)

Section [280-88](#), Industrial performance standards.

(4)

Section [280-91](#), Mineral extraction standards.

(5)

Section [280-92](#), Archaeological and historic resources.

J.

Overlay districts.

(1)

Areas within the Industrial Business (IB) Zone are located within the Shoreland Overlay Zone as defined by Chapter [270](#), Shoreland Zoning, of this Code. All use of land within the Shoreland Overlay Zone shall comply with the standards and requirements of Chapter [270](#).

(2)

Areas within the Industrial Business (IB) Zone are located within the Airport Protection Overlay Zone as defined in Article XII of this chapter. The provisions of that article shall apply to all use of land within the Airport Protection Overlay Zone.

(3)

Areas within Tax Map R19, Lot 9A and 201-215 Retail is permitted as a conditional use (CU) subject to Planning Board approval and the provisions of Article XIV, Conditional Uses, and Article XVII, Site Plan Review.

[Added 8-5-2008]

K.

Flood management. Areas of the Industrial Business (IB) Zone which are located within flood hazard areas as defined by Chapter 265, Floodplain Management, shall additionally comply with the terms of that chapter.

## Schedule E-1

**Primary Organic Therapy**  
One Canal Plaza  
Suite 600  
Portland, ME 04101

**Primary Organic Therapy**  
**Personnel Policies**

**August 2010**

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## GENERAL POLICIES

### Introduction

**Employment at Primary Organic Therapies (“The Corporation”) is at-will. Either the employee or The Corporation may terminate employment at any time and for any reason.** If the employee has any questions about any of the subjects described in this Handbook, they should contact their supervisor or Derek Brock.

### Equal Employment Opportunity Policy

The Corporation is committed to providing equal opportunity for all employees and applicants without regard to race, color, religion, gender, sexual orientation, age, national origin, disability, ancestry or veteran status. The Corporation’s policy regarding equal employment opportunity applies to all aspects of employment, including recruitment, hiring, job assignments, promotions, working conditions, scheduling, benefits, wage and salary administration, disciplinary action, termination, and social, educational and recreational programs.

The Corporation will not tolerate any form of discrimination, and all employees are expected to fully cooperate in implementing this policy. If you believe this policy has been violated, the employee should report the matter immediately to their supervisor. If it appears that the reported circumstances would, if true, constitute a possible violation of the Equal Employment Opportunity Policy, The Corporation will promptly investigate the allegations, typically through interviewing appropriate persons. To the extent feasible, only individuals whom The Corporation determines have a need to know will be informed of the allegations. All such persons will be requested to treat the matter confidentially. In the event that The Corporation determines that this policy has been violated, The Corporation may take disciplinary action against any violator, up to and including discharge from employment. This is not intended to restrict The Corporation’s right to take disciplinary action against anyone who engages in inappropriate conduct that does not rise to the level of a violation of this policy. Regardless of The Corporation’s determination regarding whether the reported conduct constitutes a violation of the Equal Employment Opportunity Policy, The Corporation will not take action against an employee for making a good faith report of a possible violation of the Equal Employment Opportunity Policy.

### Anti-Harassment Policy

The Corporation is committed to maintaining a work environment that is free of unfair discrimination. The Corporation is committed to maintaining a working environment that is free from sexual harassment and other types of discriminatory harassment. The Corporation’s commitment begins with the recognition and acknowledgment that such harassment is, of course, unlawful. To reinforce this commitment, The Corporation has developed a policy against harassment and a reporting procedure for employees who have been subjected to or witnessed harassment. This policy applies to all work-related settings and activities, whether inside or outside the workplace, and includes business trips and business-related social events. Company property (*e.g.*, telephones, copy machines, facsimile machines, computers, and computer applications such as e-mail and Internet access) may not be used to engage in conduct which violates this policy. The Corporation’s policy against harassment covers employees and other individuals who have a relationship with The Corporation which enables The Corporation to exercise some control over the individual’s conduct in places and activities that relate to The Corporation’s work (*e.g.*, directors, officers, contractors, vendors, customers, etc.)

The Corporation’s policy against sexual harassment prohibits sexual advances or requests for sexual favors or other physical or verbal conduct of a sexual nature, when: (1) submission to such conduct is made an explicit or implicit term or condition of employment, (2) submission to or rejection of the conduct is used as a basis for employment decisions affecting the individual who submits to or rejects such conduct, or (3) the conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile, or offensive working environment.



While it is not possible to list all of the circumstances which would constitute sexual harassment, the following are some examples:

(1) unwelcome sexual advances -- whether they involve physical touching or not; (2) requests for sexual favors in exchange for actual or promised job benefits such as favorable reviews, salary increases, promotions, increased benefits, or continued employment; or (3) coerced sexual acts.

Depending on the circumstances, the following conduct may also constitute sexual harassment: (1) use of sexual epithets, jokes, written or oral references to sexual conduct, gossip regarding one's sex life; (2) sexually oriented comment on an individual's body, comment about an individual's sexual activity, deficiencies, or prowess; (3) displaying sexually suggestive objects, pictures, cartoons; (4) unwelcome leering, whistling, deliberate brushing against the body in a suggestive manner, sexual gestures, suggestive or insulting comments; (5) inquiries into one's sexual experiences; or (6) discussion of one's sexual activities.

It is also unlawful and expressly against Company policy to retaliate against an employee for filing a good faith complaint of sexual harassment or for cooperating with an investigation of a complaint of sexual harassment.

#### **Prohibition of Other Types of Discriminatory Harassment**

It is also against Company policy to engage in verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his or her race, color, gender, religion, sexual orientation, age, national origin, disability, or other protected category (or that of the individual's relatives, friends, or associates) that: (1) has the purpose or effect of creating an intimidating, hostile, humiliating, or offensive working environment; (2) has the purpose or effect of unreasonably interfering with an individual's work performance; or (3) otherwise adversely affects an individual's employment opportunities.

Depending on the circumstances, the following conduct may constitute discriminatory harassment: (1) epithets, slurs, negative stereotyping, jokes, or threatening, intimidating, or hostile acts that relate to race, color, gender, religion, sexual orientation, age, national origin, or disability; and (2) written or graphic material that denigrates or shows hostility toward an individual or group because of race, color, gender, religion, sexual orientation, age, national origin, or disability and that is circulated in the workplace, or placed anywhere in The Corporation's premises such as on an employee's desk or workspace or on Company equipment or bulletin boards. Other conduct may also constitute discriminatory harassment if it falls within the definition of discriminatory harassment set forth above.

It is also against Company policy to retaliate against an employee for filing a good faith complaint of discriminatory harassment or for cooperating in an investigation of a complaint of discriminatory harassment.

#### **Reporting of Harassment**

If the employee believes that they have experienced or witnessed sexual harassment or other discriminatory harassment by any employee of The Corporation, the employee should report the incident immediately to their supervisor. Possible harassment by others with whom The Corporation has a business relationship, including customers and vendors, should also be reported as soon as possible so that appropriate action can be taken. Although reports may be made verbally, employees are strongly encouraged to make any reports of sexual harassment or other discriminatory harassment in writing. Doing so can assist in the investigation process.

The Corporation will promptly and thoroughly investigate all reports of harassment as discreetly and confidentially as practicable. The investigation would generally include a private interview with the person making a report of harassment. It would also generally be necessary to discuss allegations of harassment with the accused individual or with other employees. The Corporation's goal is to conduct a thorough investigation, to determine whether harassment occurred, and to determine what action to take against an offending individual. To the extent feasible, only individuals who The Corporation determines have a need to know will be informed of the allegations and they will be requested to treat the matter confidentially.

If The Corporation determines that a violation of this policy has occurred, it will take appropriate disciplinary action against the offending party, which can include counseling, warnings, transfers, suspensions, and termination. Employees who in good faith report violations of this policy and employees who cooperate with investigations into alleged violations of this policy will not be subject to retaliation. Upon completion of the investigation, The Corporation will inform the employee who made the complaint of the results of the investigation. The Corporation has the right to take appropriate disciplinary action against an employee who makes a false or bad faith claim of sexual harassment.

### **Other Information**

The Corporation strongly encourages employees to bring any concerns about possible sexual or other discriminatory harassment to The Corporation's attention. Employees may also direct inquiries or reports concerning discriminatory harassment to the agencies responsible for governmental enforcement of employment discrimination laws. Employees may contact Maine Department of Labor at the following mailing address and telephone numbers:

Maine Department of Labor

54 State House Station

Augusta, Maine 04333

(207) 623-7900

Compliance with this policy is a condition of each employee's employment. Employees are encouraged to raise any questions or concerns about this policy or about possible discriminatory harassment with The Corporation at the address and phone number listed above under "Reporting of Harassment."

## **HOURS OF EMPLOYMENT**

### **Attendance**

The Corporation counts on each employee to be at work when scheduled so that we can provide high quality service to our patients and others that we interact with. Prompt and regular attendance is therefore required of all employees. While The Corporation understands that employees may have to be absent from work occasionally, due to illness and personal emergencies, the employee should remember that their absence creates additional burdens for their co-workers. All employees are therefore expected to work a full scheduled workday, unless otherwise authorized by their supervisor.

If the employee is going to be late or absent, the employee must call and notify their supervisor or Derek Brock no later than their scheduled starting time. If the employee is prevented from doing so by an emergency, the employee must notify their supervisor or Derek Brock as soon as possible thereafter. Unexcused absenteeism or tardiness will not be tolerated and may result in disciplinary action up to and including termination. Excessive absenteeism or tardiness, even if excused, may also lead to discipline and/or termination.

### **Work Week**

Regular work hours may vary from person to person and may be changed at the discretion of The Corporation. The employee's supervisor will inform the employee of their regular schedule and of their lunch break period. In general, regular work hours for full-time employees are an 8 ½ hour period per day with a one hour lunch break. Employees may work different schedules, depending on the needs of The Corporation. If the employee has any questions about their hours or schedule, they should contact their supervisor.

### **Salary Basis and Overtime Policy**

Because of the nature of The Corporation's business, employees may be required to work a reasonable amount of overtime on occasion. While The Corporation will generally try to give employees advanced notice of the need for overtime, business necessities may not make advanced notice possible. If the employee have problems working assigned overtime, the employee must notify their supervisor as soon as possible to determine if other arrangements can be made.

Pursuant to the Fair Labor Standards Act (FLSA), as well as state wage laws and regulations, non-exempt employees who work over 40 authorized hours in a workweek will be paid at a rate of one and a half times their regular rate for all hours over 40. Federal and state wage and hour laws require that The Corporation keep an accurate record of time worked for every non-exempt employee. Therefore, all non-exempt employees must record their time worked on a daily basis. Time sheets are to be approved by their immediate supervisor. Falsification of time sheets or filling out another employee's time sheet is a serious violation of The Corporation policy and may result in immediate disciplinary action.

In addition consistent with the FLSA, certain employees may be exempt from overtime compensation. To qualify for exemption status, employees generally must meet certain tests regarding their job duties. Job titles do not determine exempt status. In order for an exemption to apply, an employee's specific job duties and salary must meet the requirements of the Department of Labor's regulations.

Being paid on a "salary basis" means an employee regularly receives a predetermined amount of compensation each pay period. The predetermined amount cannot be reduced because of variation in the quality or quantity of the employee's work. Subject to exceptions listed below, an exempt employee must receive the full salary for any workweek in which the employee performs any work, regardless of the number of days or hours worked. Exempt employees do not need to be paid for any workweek in which they perform no work.

Deductions from pay are permissible when an exempt employee: is absent from work for one or more full days for personal reasons other than sickness or disability; for absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness; to offset amounts employees receive as jury or witness fees, or for military pay; or for unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions. Also, The Corporation is not required to pay the full salary in the initial or terminal week of employment; for penalties imposed in good faith for infractions of safety rules of major significance, or for weeks in which an exempt employee takes unpaid leave under the Family Medical Leave Act. In these circumstances, either partial day or full day deductions may be made.

It is The Corporation's policy to comply with requirements of the FLSA and state wage laws. If the employee believes that an improper deduction has been made to their salary, the employee should report this to Derek Brock so the matter can be investigated and to the extent an error has been made the situation can be resolved as quickly as possible.

## **PERFORMANCE AND DEVELOPMENT**

### **Performance Reviews**

For all employees, The Corporation conducts performance reviews annually, generally around the end of the calendar year. Performance reviews may be held more frequently if an employee's job classification or performance changes significantly or if a supervisor determines that more frequent reviews may be necessary or helpful. In addition, their supervisor may informally discuss their performance with the employee at any other time. The employee should also feel free to discuss their performance with their supervisor at any time. Performance reviews are an evaluation of how well the employee performed their work. They provide the employee and their supervisor with an opportunity to review what the employee has accomplished and to identify areas that need improvement. Among the factors that may be addressed in the performance review are: quality and quantity of work; job knowledge and skill; attitude about their job, The Corporation and other employees; ability to work cooperatively; compliance with Company standards and policies; dependability; enthusiasm; and attendance.

Merit salary increases may be given at the time of annual performance reviews, but are not guaranteed. Any salary increases will be at The Corporation's discretion and will depend on factors such as an employee's job performance and business conditions.

## **EMPLOYEE BENEFITS**

### **Vacation**

#### **Accrual**

The Corporation recognizes that all employees need a period of time for rest and relaxation. Accordingly, all The Corporation employees are eligible to accrue paid vacation upon completion of their introductory period, which is the 30-day period after the commencement of employment with The Corporation.

Employees will accrue (unless otherwise noted in an offer letter), on a monthly basis, paid vacation over the course of each year according to the following schedule (all periods are measured after the introductory period described above). For partial years, vacation time accrues on a pro-rated basis for actual time worked,  
First 12 months of Service - 2 weeks

Second Year and up until the completion of the Third Year - 3 weeks

Three Years and More - 4 weeks

### **Scheduling**

Employees should request vacation days in full; partial vacation days are not permitted. The Corporation will make every effort to accommodate the vacation requests submitted by each employee. Nonetheless, given the nature of The Corporation's business, vacations must be scheduled in a manner which accommodates both The Corporation's need to have adequate coverage in all positions at all times, and employees' vacation schedules. If a scheduling conflict between employees should arise, The Corporation may consider its business needs, the needs of the employees' job functions, and the relative seniority of the employees requesting vacation. Accordingly, employees must seek prior approval of their vacation plans from their supervisor at least two weeks in advance of any anticipated departure date to avoid scheduling conflicts. Out of courtesy to their co-workers and The Corporation, please notify their supervisor immediately of any change in vacation plans.

If the employee reaches the maximum accrual level, as indicated above, they will stop accruing vacation until they have reduced their accrued vacation below the maximum amount, therefore, The Corporation will attempt to provide an adequate opportunity for employees to use their earned vacation. For example, if the employee are eligible to accrue 10 vacation days in a given year and do not use any of that accrued vacation time, then the employee will not accrue any additional vacation time in the next year until they have used some of that accrued time. If they are unable to use all of their vacation during the year in which it accrues due to business demands, the employee may be able to carry over a limited amount of vacation for a short period of time (not to exceed the first month of the next year). Employees who are eligible for more than two weeks of vacation may not take more than two weeks consecutively without prior approval from their supervisor. Requests to carry over vacation must be made to their supervisor and must be approved prior to the end of the year. Upon termination, employees will receive their regular rate of pay for all their accrued but unused vacation time.

The Corporation may, in its discretion, permit employees to use vacation time that will accrue during a calendar year prior to the month in which it actually accrues. Employees should not plan to use vacation that has not yet accrued without obtaining approval from their supervisors.

If The Corporation permits the employee to take vacation time before it has accrued and their employment terminates for any reason prior to the period in which such time accrues, the advance of that vacation time will be viewed as an advance of wages and withheld from their final paycheck. Employees must sign a Wage Deduction Authorization form before taking vacation time that has not yet accrued. In the event the

employee has already received their final paycheck, they will be required to pay back any used but unearned vacation time to The Corporation.

### **Sick Time**

All employees are eligible for up to 3 paid sick days per calendar year, which will accrue at the rate of .25 days per month. These sick days may be used by employees for their own illness or a dependent's illness.

Employees who are absent more than 3 sick days per year due to illness or injury will not be paid for those days. Sick leave can only be used during the year in which it is credited and cannot be carried forward from year to year.

In the case of illness, the employee should notify their supervisor or manager directly on each day of their illness. The Corporation may require medical documentation verifying the illness or injury prior to an employee's return to work. The Corporation may also require the employee to be examined by a medical professional selected by The Corporation in accordance with applicable law.

Sick leave is only to be used for genuine instances of illness or injury. Excessive absenteeism or abuse of the sick leave policy, as determined by The Corporation, may result in discipline up to and including termination.

### **Holidays**

The Corporation observes the following holidays each year::

New Year's Day

Martin Luther King, Jr. Day

Washington's Birthday

Good Friday

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Christmas

The Corporation will also comply with applicable state law governing holiday closings. Although The Corporation generally will be closed on the days on which these holidays are observed, employees may be required to work on the holiday due to workload or other business demands. In that event, the employee will receive an alternate day off or overtime pay as appropriate.

## **LEAVES OF ABSENCE**

### **Jury Duty**

If the employee is summoned for jury duty, they will be excused from work for the duration of the jury duty assignment. The Corporation will continue their pay for each day of jury duty for which the employee are required to serve if jury duty is on a regularly scheduled workday, but any jury duty pay received must be remitted to The Corporation and should be given to Derek Brock. Employees must show their jury duty summons to their supervisors as soon as possible so that supervisors may make arrangements to accommodate the employee's absence. Employees are expected to report for work on any day or portion of a day that the court schedule permits.

### **Personal Leave**

#### **Family and Medical Leave Policy**

Parental leave, medical leave, family care leave, and military family leave (qualifying exigency and military caregiver leave) are granted for the reasons provided in the federal Family and Medical Leave Act of 1993 as amended (the "FMLA") and are made available in accordance with, and subject to, the conditions provided under the FMLA.

All references in this policy to “weeks” refer to work weeks. To the extent applicable, an employee may choose to use accrued vacation and/or sick time in order to receive pay during FMLA leave. In order to use such paid time off for FMLA leave, employees must comply with The Corporation’s normal paid leave policies.

**Eligibility for Leave**

If the employee has worked for The Corporation for at least twelve (12) months and at least one thousand two hundred and fifty (1,250) hours in the year preceding a requested leave, and works at a worksite within seventy five (75) miles of an The Corporation worksite that employs at least fifty (50) employees, the employee is eligible for FMLA leave.

**Types of Leave Covered**

**Parental Leave**

The Corporation will grant parental leave to an eligible employee on account of disability in connection with pregnancy or childbirth and for the purpose of caring for a newborn child or a newly adopted child (including a foster care placement). Parental leave includes disability leave and child care leave (as described below). Parental leave must be completed within twelve (12) months of the birth or placement of a child for adoption or foster care.

- (a) Disability Leave If the employee is unable to work because of a disability in connection with pregnancy or childbirth, she will be granted disability leave under this policy.
- (b) Child Care Leave The employee will be granted child care leave for up to twelve (12) weeks for the care of a newborn child or a child placed for adoption or foster care. If the employee receives disability leave in connection with childbirth for fewer than twelve (12) weeks, child care leave may be added to disability leave, provided that in such case the combined total amount of disability leave and child care leave does not exceed the employee’s twelve (12) week FMLA entitlement. If the employee and his or her spouse both work for The Corporation, together the spouses are entitled to a total of twelve (12) weeks of child care leave.

**Medical Leave**

The employee will be granted up to twelve (12) weeks of leave if the employee is unable to work because of his or her own serious health condition (whether work-related or not).

**Family Care Leave**

If the employee is needed to care for an immediate family member (meaning a spouse, child or parent) with a serious health condition, the employee will be granted family care leave of up to twelve (12) weeks. If the employee and his or her spouse both work for THE CORPORATION, together they are entitled to a total of twelve (12) weeks of family care leave, each spouse to care for his or her own parent who has a serious health condition.

**Definition of Serious Health Condition**

A serious health condition includes an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee’s job, or prevents the qualified family member from participating in school or other daily activities. Incapacity due to pregnancy, and incapacity due to a chronic condition are also serious health conditions.

Subject to certain conditions, the continuing treatment requirement is met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two (2) visits to a health care provider or one (1) visit and a regimen of continuing treatment. Other conditions may also meet the definition of continuing treatment.

**Military Family Leave**



(a) Qualifying Exigency Leave The employee will be granted up to twelve (12) weeks of leave for a qualifying exigency arising out of the fact that a spouse, child or parent is on active duty, or is called to active duty status, in support of a contingency operation as a member of the National Guard or Reserves. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

(b) Military Caregiver Leave Under certain circumstances, the employee may be granted up to twenty-six (26) weeks of leave in a single twelve (12) month period in order to care for a spouse, child, parent or next of kin who is a covered servicemember. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty during active duty that may render the servicemember medically unfit to perform his or her duties for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

### **Leave Taken Intermittently**

When medically necessary, the employee may take leave for any of the reasons listed above intermittently (that is, in blocks of time or by reducing his or her normal weekly or daily work schedule), rather than continuously, in accordance with the conditions provided for such intermittent leave under the FMLA. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt The Corporation's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

### **Benefits**

During an FMLA leave, The Corporation will continue the employee's participation in The Corporation's health and dental insurance plans and will continue to make its usual contributions to the premium costs of the plans, provided that the employee pays his or her share of the cost. The employee may continue participation in, or contributions to, other The Corporation benefit plans, to the extent provided under the terms of the applicable plans. If the employee fails to return to work at The Corporation at the conclusion of an FMLA leave, the employee may be required to reimburse The Corporation for any insurance payments made on his or her behalf during any unpaid portion of an FMLA leave.

### **Requests for Leave – Employee Responsibilities**

Requests for leave should be made in writing to the employee's supervisor or the Derek Brock at least thirty (30) calendar days in advance of the leave, stating the purpose of the leave. Employees may obtain copies of request for leave forms from their supervisor. If the need for the leave is not foreseeable, the employee is still required to notify their supervisor or Derek Brock as soon as possible, and generally must comply with The Corporation's normal call-in procedures.

Employees must provide sufficient information for The Corporation to determine if the leave may qualify for FMLA, as well as the anticipated timing and duration of the leave. Sufficient information that the leave may be covered by FMLA may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform The Corporation if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification, such as certification demonstrating a qualifying exigency for military family leave or certification from the health care provider in the case of parental leave, medical leave, family care or military caregiver leave, and periodic recertification supporting the need for leave. The Corporation may, in some instances, request second or third medical opinions regarding the employee's or employee's family member's serious health condition or other re-certifications during the period of leave. Certification forms may be obtained from their supervisor. The Corporation may request that the employee report periodically on his or her status and intention to return to work.

### **The Corporation's Responsibilities**

The Corporation will inform an employee requesting leave whether the employee is eligible for FMLA leave. The notice will specify any additional information required, as well as the employee's rights and responsibilities. If the employee is not eligible for FMLA, The Corporation will provide a reason for the ineligibility.

The Corporation will inform an employee if leave will be designated as FMLA leave and the amount of leave counted against the employee's leave entitlement. If The Corporation determines that the leave does not qualify as FMLA leave, The Corporation will notify the employee.

### **Returning from Leave**

Upon returning from FMLA leave that has not exceeded twelve (12) weeks, or twenty-six (26) weeks in the case of military caregiver leave or military caregiver leave combined with leave for any other purpose under the FMLA, the employee will be returned to the same position that he or she left when the leave began or to an equivalent position with equivalent pay, benefits and other terms and conditions of employment, in accordance with the conditions provided for such reinstatement under the FMLA. The employee will be reinstated without loss of employment rights or benefits that he or she had earned or accrued prior to the beginning of the leave, except to the extent such benefits were used or paid during the leave.

If the employee is returning from medical leave or from parental leave in conjunction with pregnancy or childbirth, the employee may be required to provide medical certification of his or her ability to return to work.

If the employee believes that an absence would qualify for FMLA leave, the employee should notify The Corporation as soon as possible, but in any event, not later than two (2) business days after returning to work from such absence.

### **Termination of Employment**

If the employee decides not to return to The Corporation from an FMLA leave, the employee is requested to inform The Corporation of that decision as soon as possible. The Corporation may then end the leave and employment will terminate. However, to encourage the employee to inform The Corporation as soon as possible that the employee will not be returning, The Corporation will continue to contribute its premium contribution toward the employee's health insurance benefits for as long as the employee remains eligible for FMLA leave. If the employee fails to return to work at the end of an approved leave, The Corporation may discharge the employee.

### **Duration of Leave**

For all leaves except military caregiver leave, the employee is entitled to a maximum of twelve (12) weeks of FMLA leave per year, meaning a "rolling" twelve (12)-month period measured back from the date when the employee uses any such leave. With respect to military caregiver leave only, the maximum duration of such leave is twenty-six (26) weeks during a single twelve (12) month period, measured from the first day the employee takes leave for this reason and ending twelve (12) months later, including the time spent on leave taken for any other reason(s) under the FMLA.

An eligible employee may use accrued vacation and/or sick time in conjunction with leave under this policy. Use of accrued vacation and/or sick time does not extend the length of any leave; it only allows the employee to receive pay during periods of FMLA leave which would otherwise be without pay.

### **Limitations on Leave**

Use of FMLA leave for purposes other than as set forth by the FMLA is strictly prohibited and may result in disciplinary action, up to and including termination of employment.

Employees on FMLA leave are prohibited from working for another employer while on leave, unless the employee has received prior written approval from the Derek Brock and the employee's manager.

### **Unlawful Acts by Employers**



The FMLA makes it unlawful for an employer to interfere with, restrain, or deny the exercise of any right provided under the FMLA; or to discharge or discriminate against any person for opposing any practice made unlawful by the FMLA or for involvement in any proceeding under or relating to the FMLA.

### **Enforcement of the FMLA**

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer for claimed violations of the FMLA. The FMLA does not affect any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

## **RULES OF CONDUCT**

### **Standards of Conduct**

The Corporation expects all employees to conduct themselves in an appropriate and professional manner at all times while on The Corporation's premises or while on The Corporation business. Conduct that adversely affects the interests or safety of other employees, customers or The Corporation is prohibited at all times. It is not possible to list all forms of behavior that are considered unacceptable in the workplace and employees are expected to use common courtesy and good judgment at all times. Listed below are some but not all possible examples of some conduct that may result in immediate disciplinary action, including suspension or termination of employment. This list is not exhaustive and does not limit The Corporation's right to discipline in whatever manner it deems appropriate up to and including termination, depending upon The Corporation's assessment of the severity of the conduct.

Conduct that may lead to immediate disciplinary action includes:

- Reporting false expenses or personal expenses for reimbursement
- Excessive tardiness
- Excessive absenteeism or abuse of sick leave
- Failure to notify supervisors promptly of absences
- Failure to start work promptly at the beginning of an employee's scheduled workday or at the end of lunch or a break
- Stopping work before the end of an employee's scheduled workday or not returning to work promptly at the end of lunch or a break
- Violation of The Corporation's safety rules or of common safety practices
- Failure to follow job instructions
- Unsatisfactory job performance
- Insubordination
- Threatening or striking another employee
- Reporting to work under the influence of alcohol or drugs, buying or selling, or attempting to buy or sell drugs on The Corporation property
- Theft of The Corporation property or theft of the property of another employee
- Violation of The Corporation's anti-harassment policy or retaliation against an employee for reporting such harassment
- Falsification of documents, including but not limited to, job applications, resume, time cards, expense reports or other employment or production documents (regardless of when such falsification is discovered)
- Filling out the time card of another employee or permitting another employee to fill out their time card
- Damage to The Corporation property or to the property of another employee due to carelessness or negligence
- Verbal or physical abuse towards any employee
- Abuse of The Corporation's telephone or other company telecommunications devices for excessive personal use (including phone, fax, e-mail, Internet services, etc.)
- Violation of The Corporation's Policy on Insider Trading or Policy Regarding Special Trading Procedures
- Violation of The Corporation's Code of Business Conduct and Ethics
- Other fraudulent or dishonest conduct or any conduct inconsistent with this Employee Handbook

### **Corrective Action**

All employees are expected to maintain high standards of conduct and job performance and to observe all The Corporation rules and policies. Failure to do so may result in discipline up to and including termination. When appropriate or useful, corrective action may be used to address performance, attendance or other problems. Corrective action, which may be used, includes verbal warnings, written warnings, final written warnings, suspension, and discharge. Factors which may be considered in deciding whether and the level of corrective action to use may include the nature and seriousness of the offense; the employee's past record; the impact of the employee's conduct on the employee's department and The Corporation; and any mitigating or aggravating circumstances.

These corrective measures will not apply in the event of an offense that The Corporation deems serious enough to warrant immediate discharge or in other circumstances when The Corporation determines that corrective measures would be inappropriate. The Corporation retains the discretion at all times to determine when to use corrective action and the level of action to take.

### **Substance Abuse**

Out of concern for its employees and the community, The Corporation has taken a strong stand against drug and alcohol abuse. Drug and alcohol abuse increases the risk of workplace accidents, impairs the health and well-being of the user and diminishes productivity. The Corporation is therefore committed to maintaining a workplace that is free from the influence of drugs and alcohol.

The unlawful manufacture, distribution, possession or use of a controlled substance on The Corporation's property or while on The Corporation's business is prohibited. For purposes of this policy, a controlled substance is any illegal drug or any prescription drug that if abused may lead to physical or psychological dependence. In addition, working while under the influence of alcohol or of a controlled substance is prohibited.

The Corporation will conduct annual, unannounced drug tests for all dispensary board members, principal officers and employees by an approved Employee Assistance Program. Violation of this policy may result in immediate disciplinary action up to and including termination or suspension. Any individual who has two confirmed positive substance abuse tests within a 12 month period of time shall be reported to the DHHS and his/her registration card shall be void, unless the individual is a registered patient and failed the test solely based on the presence of marijuana in the sample.

### **Confidentiality**

In the course of their work the employee will have access to confidential information, including information concerning The Corporation, its patients, and other employees. The employee must keep all such information strictly confidential by using it only in the performance of their duties for The Corporation. Unauthorized disclosure could cause serious consequences to The Corporation or to the individuals affected and could lead to discipline up to and including termination. In general, confidential information is information so marked and/or not normally known to the public. Examples of such information include but are not limited to patient identification, patient records, any corporate records and corporate information.

Confidential information should never be disclosed to third parties, including friends/family, competitors, suppliers, and the media. Unauthorized disclosure could result in disciplinary action up to and including termination.

Protecting patient confidentiality is of utmost importance. Prior to working at the dispensary, all employees are required to participate in training which will encompass a thorough review of The Corporation's privacy

policies. The policies surrounding patient confidentiality will be strictly enforced. The disclosure of confidential patient information will result in immediate termination.

In concordance with HIPPA law, employees are prohibited from disclosing patient information to other patients or any other third party. Additionally, employee access to patient records will be limited, with the use of unauthorized codes to view patient records/files prohibited. Lastly, employees will be prohibited from developing any type of personal relationship with current patients. Failure to comply with any of the policies around confidentiality and privacy will result in immediate termination.

If the employee witness or have knowledge of the breach of this policy, please contact their supervisor or Derek Brock immediately.

## **ADMINISTRATIVE INFORMATION**

### **Applications/Records**

The Corporation relies upon the accuracy of information contained in employment applications, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in The Corporation's exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

### **Employee Classifications**

The Corporation places employees into two classifications for purposes such as personnel administration, payroll transactions and benefits.

All positions at The Corporation are classified as "exempt" or "non-exempt." An exempt employee is one who is considered to be an executive, professional or administrative employee under the Fair Labor Standards Act ("FLSA") and who is paid on a salaried basis. Exempt employees are not eligible to be paid overtime if they work over 40 hours a week. A non-exempt employee is one whose job is not classified as exempt and who is generally paid on an hourly basis. Pursuant to the FLSA, non-exempt employees are paid 1½ times their regular hourly rate for any hours worked over 40 in a week.

Regardless of an employee's classification or status, employment at The Corporation is at-will as set forth in the "Introduction" section of this policy statement.

### **Personnel Records**

The Corporation maintains personnel records for each of its employees and makes every effort to ensure that the information collected in these records is accurate and up-to-date. The employee should therefore inform their supervisor of any changes in their address, telephone number, marital status or number of dependents. The employee's receipt of general company mailings, tax information, and insurance benefits may be affected by inaccurate information. If the employee wishes to change their benefit coverage or their beneficiary, be sure to contact Derek Brock so that proper forms can be completed. The employee may request to review or to receive a copy of their personnel record by contacting Derek Brock. However, all personnel records must remain at The Corporation.

### **Accidents/Injuries**

The Corporation strives to provide a safe working environment for its employees. Safety is every employee's responsibility and all employees are expected to take necessary and reasonable steps to keep The Corporation a safe place to work. The Corporation requests the cooperation of all employees in maintaining a safe workplace by reporting any condition that may be a hazard to safety or health. No matter how insignificant an on-the-job injury may seem to be when it occurs, notify their supervisor or Derek Brock immediately when any work-related accident or injury occurs.

### **Employment Termination**

Since employment with The Corporation is based on mutual consent, both the employee and The Corporation have the right to terminate employment at will, with or without cause, at any time. If you resign from employment, you are requested to provide two weeks written notice.

The Corporation will generally schedule exit interviews for terminating employees. The exit interview will provide an opportunity to discuss such issues as employee benefits and return of The Corporation -owned property. Suggestions, complaints, and questions can also be voiced.

Generally, all employee benefits will cease at employment termination. Consistent with the Consolidated Omnibus Budget Reconciliation Act (COBRA), medical and dental coverage may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

Employees are responsible for all property, materials, or written information issued to them or in their possession. Employees must return all The Corporation's property including keys, access cards, etc. that were issued to them or are in their possession at the time of termination.

Employees are paid monthly in advance. If the employee's employment is terminated before the end of a pay period you will be responsible for reimbursing The Corporation for any paid but unearned wages on their last day of employment.

### **Employee Concerns**

Employees are encouraged to make it known when a job-related problem arises. Informal discussions often produce a solution to a problem quickly and easily. When a question or difficulty arises, the easiest and most efficient way of communicating is through a thorough and frank discussion with their supervisor, with the matter at issue being clearly stated and understood by both of you. Many problems and misunderstandings can be resolved in this manner.

In some cases, discussions with other management personnel may be helpful. If you are in doubt as to how to proceed, you should contact their supervisor or Derek Brock.

## Schedule E-2

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

## Schedule E-2: Growing and Cultivation

The Company will grow its marijuana using the hydroponic growing method known as Ebb and Flow. The crop will meet Federal Department of Agriculture standards to be considered organic.

### Initial Cultivation Plan

Upon approval for operating a dispensary, The Company will immediately apply to the Sanford zoning board for approval of growth site. We expect to begin growth operation will during the 1<sup>st</sup> week of October. The following schedule depicts the timeline for producing the initial supply of marijuana.

	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>
Customers (6 plants per)	10	30	57	80	93	100
Plant Starts	60	120	160	200	200	200
Plant in Inventory	60	180	340	480	560	600
Cultivation:						
Ounces per Plant			6	6	6	6
Ounces Cultivated	-	-	360	720	960	1,200
Pounds Cultivated	-	-	23	45	60	75

The cultivation plan assumes that marijuana will be harvested within 90 days of plant establishment. The Company will have 23 pounds of useable medical marijuana by December 2010. The Company will achieve its run rate plants in inventory of 600 plants by March 2011, producing 75 pounds of useable medical marijuana each month.

### Ongoing Cultivation Plan

The Company's growth facility will allow for at least 600 plants to be in production at all times. The Company will reach that capacity by March 2011. The following schedule depicts the expected production.

	Plants		
	Harvested	Ounces	Pounds
Per Week	138	277	17
Per Month	600	1,200	75
Per Year	7,200	14,400	900

The Company cannot accurately forecast the amount of marijuana each customer will procure. The Company can accurately forecast the amount of marijuana produced given the size of the facility and the growth method. Given the forecasted production, the following schedule depicts the amount of customers that can be served each week based on a range of quantities procured by the customer.

Ounces Cultivated Per Week:	277				
Ounces Purchased Per Week	0.25	0.50	0.75	1.00	1.25
Customers Served	1,108	554	369	277	222

### Routine Personnel Protocols

- Growing facility will be locked from the inside. Only approved personnel will be allowed to enter.
- Growing facility will be protected by closed-circuit cameras, smoke detectors and remote environmental monitoring systems.
- All persons entering the grow facility will be required to remove clothing and wear a sanitized uniform and protective footwear provided by Primary Organic Therapy.
- Sanitize footwear in provided footbath.
- Provided uniforms will be hairnets and long sleeve coveralls with one breast pocket and no side pockets. These steps are required to eliminate harmful pathogens, viruses and rogue pollen from the sanitary grow room facility.
- The all personal belongings will be stored into assigned lockers, including cell phones, PDAs, cameras etc.
- All personnel shall report daily to supervisor for assignments.
- Each Monday and Thursday will be a mandatory cultivation meeting. Topics to be discussed:
  - Equipment updates
  - Person schedules
  - Nutrient regimens and maintenance
  - Harvesting
  - Pruning
  - Drying
  - Curing
  - Sanitation
- All personnel will be required to keep a running journal of daily tasks including:
  - Time and date
  - Amounts
  - Materials used and corresponding lot numbers

- Upon exiting the grow room facility, all personnel will be required to remove provided uniform and footwear and redress in personal clothing.
- All personnel will be required to clock in on-time. Any tardiness will be discussed with supervisor.

### **Cultivation Methodology**

- Each strain will start from high quality seed of a certified strain (with documented medicinal qualities) obtained from a known seed bank.
- The seedlings will mature into mother plants to supply the grow room. Cuttings will then be taken to reproduce the exact genetic make-up of the original plant. This process will be repeated with new material when necessary to keep fresh and vigorous genetic strains for the highest quality pharmaceutical-grade marijuana.
- Mothers of each strain will be maintained by 600 watt metal-halide lights with 18-hour photo period and watered with drip emitters.
- Clones will be rooted in rockwool rooting cubes. When rooted, the cuttings will be repotted into 6 inch pots with expanded clay pellets. After four weeks of vegetative growth, the clones will then be transferred into the flowering room onto ebb and flow drain tables. The grow room will be maintained by 1000 watt high-pressure sodium lights with a 12 hour photo period.
- The growing spaces will have state of the art climate control to maintain 70-75 degrees F, 55%-65% relative humidity and 1000- 1500 ppm CO<sub>2</sub>. The growing spaces will have reflective white metals walls and sealed concrete floors. All growing surfaces, containers, floors, and cultivation tools will be properly sanitized for the prevention of molds and diseases. All airflow into the growing spaces will be filtered to remove rogue pollen, insects and airborne contaminants.
- The ebb and flow tables will be automatically flooded several times a day from a reservoir with an organic nutrient solution and allowed to drain back into the reservoir. The watering regimens will be catered to the nutrient and moisture requirements of each strain. Each table will have its own watering reservoir to reduce mass contamination. Each reservoir will be checked daily for proper temperature and nutrient concentration.
- Plants will be allowed to flower with the organic nutrient solution for 8 to 10 weeks. During the final two-weeks of growth, the growing medium will be flushed with distilled water. The plants will receive no water for the final 2 to 3 days of growth and the large leaves will be removed, which will aid in faster drying. After a 24 hour dark period, the plants will be harvested in the morning when TCH content is highest.



- Harvest decisions will be determined after careful microscopic inspection of each plant block. Entire stalks of the plants will be harvested when the pistils turn brown and resinous trichomes are milky white to amber. They will be stripped of leaves and manicured by hand using gloves, scissors and manicuring shears. They will then be hung on metal racks to dry in the drying vault. The drying vault will be dark, 65-70 degrees F and 45-55% humidity. They will dry slowly for 5 to 10 days. The buds will lose an average of 75% of their weight due to water loss.
- After appropriate drying, the buds will be trimmed and cured in large, airtight glass containers. Each container will be weighed and recorded. The containers will be stored in the dark for up to four weeks until fully cured. They will be inspected daily for moisture content and mold growth.
- When the buds are properly cured, they will be divided into 2 ounce increments and stored in glass containers or vacuum sealed food grade bags. The product will then be stored by strain in the storage safe.
- At the on-set of harvest, all weights will be recorded and carefully monitored during each process for strain history and possible unexplained shrinkage.

The grow facility will be completely sealed off with only one entrance, plus an emergency fire door, and no windows. This will eliminate light pollution and contaminants. All plants will be organically grown, meeting federal FDA guidelines for organic crops, for this reason the grow environment must remain consistent and clean.

As with any crop, the need to control fungi and insects populations may be needed. Cultural controls are the first step to successful organic farming. These processes include prevention, proper ventilation, leaf removal, low humidity, cleanliness and plant removal. Creating the proper environment by maintaining humidity and temperature is fundamental to inhibit fungal and insect growth and cultivate crops organically.

Organic, biological controls such as lady bugs and predatory mites may be used to control any unwanted insect population, as well as several bacterial species such as *Bacillus thuringiensis*. Several species of bacteria, such as *Bacillus subtilis* and *Tricoderma*, are also very effective in the eradication of fungal infections.

Removal of infected plants is preferred to the use of pesticides. Any plant material found with an infection or affliction will be quarantined to the quarantine room. The plant will remain in the quarantine room until cured or destroyed. As a final measure, only federally-approved organic pesticides will be used in accordance with the pesticide label and federal law. These approved pesticides are safe for use for organic crops which will be consumed. If pesticides are to be used, they will be administered by the head grower, a licensed pesticide applicator.

## Schedule E-3

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

## Schedule E-3: Inventory Control

The Corporation will follow inventory controls and procedures designed to prohibit unlawful activity, misallocated material, and employee malfeasance. The goal of our Inventory Control is to ensure all processes are secure and transparent. Transparency will enable The Corporation to provide necessary reports to DHHS (as required) and reduce the likelihood of employee or 3<sup>rd</sup> party theft. The Inventory controls are designed so that the product can be measured and documented throughout the entire growth process – from planting, through harvesting, curing, processing and selling. At each stage of the process, the inventory is measured using high-precision scales (calibrated daily) and documented.

The Corporation will use the following procedures:

- A. **Growth Supplies** – The Growth Manager will inventory all supplies as they are purchased and delivered to The Corporation's facility. An accountant will reconcile the raw materials against purchase orders to ensure there is no shrinkage. Supplies include:
  - a. Lights
  - b. Plant containers
  - c. Trays
- B. **Dispensary Supplies** – The Dispensary Manager, will inventory all supplies as they are purchased and delivered to The Corporation's facility. An accountant will reconcile the raw materials against purchase orders to ensure there is no shrinkage. Dispensary supplies include:
  - a. Labels
  - b. Medicine containers
  - c. Prescription Bags
- C. **Raw materials** – The Growth Manager will inventory all raw materials as they are purchased and delivered to The Corporation's facility. An accountant will reconcile the raw materials against purchase orders to ensure there is no shrinkage. Raw materials include:
  - a. Organic soils
  - b. Organic plant nutrients
- D. **Plants** –
  - a. **Mother Plants** - All plants will be cloned using Mother Plants. All Mother Plants will be recorded into Crop Inventory by the Growth Manager. Each Mother Plant will have a unique identification number. The plants will remain in inventory until they reach their useful life and are destroyed.
  - b. **Production Plants** - All production plants will be grown in 4x4ft trays capable of growing 8 plants each. Each plant will have a unique identification number and tray assignment. Each tray will be recorded into crop inventory with the strain and

identification numbers of the plants in each tray. Each tray will have a unique identification number. The tray will remain in crop inventory until all the plants in the tray are harvested. All plants in a tray will be harvested at the same time. Upon harvest, the marijuana will be removed from the plant, weighed and recorded into inventory as described in section E. The residual plants will be destroyed.

**E. Prepared Material (Marijuana)**

- a. **Harvest** - As each plant is harvested, a grower will remove the buds from the plant. Harvested marijuana (including stems and trimmings) will be weighed on calibrated scales. Trimmings will be separated and entered into the food processing inventory. The marijuana and trimmings will be placed the marijuana in tamper-evident containers with bank-rated security zip ties in increments of 2 ounces. The containers will be labeled with the following information:

- i. Strain
- ii. Harvest date
- iii. Weight (in ounces)

Once the marijuana is placed in bags, the Head Grower will re-weigh the bags to verify the weight. Upon verification, the Head Grower will enter the bags into the inventory database and physically place the inventory in the Inventory Safe (a fireproof safe with biometric identification). The Head Grower is the only employee with access to the Inventory Safe.

**b. Disposal of Plant Stock**

- i. Upon harvest, each tray will must be inspected by the Head Grower to ensure all useable marijuana has been removed from the plant.
- ii. Upon verification by the Head Grower that the plants are clean of useable marijuana, the stocks will be deposited in a trash container located inside the facility.
- iii. The Corporation will contract with a 3<sup>rd</sup> party service to have the stocks securely removed and destroyed (by combustion) at a licensed waste handling facility.

**c. Distribution**

- i. **Morning Inventory** - Each morning, the Head Grower will inventory the prepared marijuana that is stored in the Inventory Safe. Each morning, the Dispensary Manager will independently inventory the prepared marijuana that is stored in the Inventory Safe. Each person will complete an inventory tracking form and provide to the Accountant to verify the forms are consistent.
- ii. **Dispensary Inventory** – The Dispensing Room will be stocked with marijuana each morning. The Dispensary Manager will request inventory from the Head Grower using a written form. At any time, The Dispensary

will hold a maximum of 20 ounces of marijuana (10 strains, 2 ounces per strain). During regular business hours, The Dispensary Manager can request additional inventory from the Head Grower using a written form. All request forms will be signed by The Dispensary Manager and Head Grower, then provided to an Accountant for independent reconciliation.

- iii. **Evening Inventory** – At the end of each day, the Dispensary Manager will weigh the unsold marijuana and record this unsold marijuana into the inventory system. The Head Grower will receive the marijuana from the Dispensary Manager each evening. The Head Grower will independently weigh the unsold inventory and complete an inventory tracking form. The Head Grower will place the unsold marijuana in the Inventory Safe each night. All forms will be submitted to the Accountant for reconciliation.

The Corporation will use high-precision scales that will be calibrated daily. All weights must fall within specific tolerances to ensure there is not inventory shrinkage or theft. Our inventory tracking system will alert management when weight fall out of specified tolerances:

- Gram must weight 1.03 grams +/- .02 grams
- Each 1/8 oz. must weigh 3.55 grams +/- 0.2 grams
- Each oz. must weigh 28.55 grams +/- 0.2 grams

All medicine will be dispensed in tamper-evident containers. The Corporation will track the flow of marijuana utilizing trip tickets. A copy of the trip ticket will be provided to the patient or caregiver to whom the marijuana is furnished. These records will be maintained for a minimum of six years. Each container will have a label with the following information:

- Name and The Dispensary
- Patient number
- The product (amount and strain)
- Time and Date of Origin
- Destination of Product

The Corporation's Inventory procedures are designed to prevent unlawful activities. In accordance with Maine DHHS requirements, prepared materials are inventoried daily by two independent employees. Additionally, the Accountant will verify the inventory tracking sheets and provide a daily reconciliation to ensure that all inventory measurements are consistent.

Management will conduct periodic, random audits to ensure there is no unlawful activity. Additionally, The Corporation will contract with a 3<sup>rd</sup> party accounting firm (Price Waterhouse Coopers – Portland, ME) each year to audit inventory control and records.

## Schedule E-4

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

## **Schedule E-4: Food Preparation**

The Corporation recognizes that some patient may prefer, or may not be able to smoke or vaporize marijuana. Primary Organic therapy will be preparing baked goods that are infused with cannabis oil. We will also be preparing tinctures.

The Corporation will obtain a food processor license pursuant to 22 Maine Revised Statutes section 2167. We will also adhere to the guidelines set forth in their publication, the Maine Food Code, which outlines the certain regulation and guidelines that must be followed in order to produce food under sanitary conditions.

Primary Organic Therapy will hire a food safety certified pastry chef who will ensure The Corporation is in compliance with all regulations and guidelines.

All food purchased, supplied and provided at Primary Organic Therapy must comply with proper food hygiene standards to ensure the safety and health of both providers and consumers. These procedures are to complement the relevant State and Federal regulations and requirements for such food services.

### **Food Preparation**

- Food should be handled so as to prevent contamination and handlers should:
- Observe good personal hygiene
- Use different chopping boards/work surfaces, equipment and utensils for raw and ready-to-eat food
- Clean equipment and surfaces thoroughly before and after use
- Avoid unnecessary handling of food
- Minimize the time chilled food remains out of the fridge

### **Food Hygiene Strategies**

The maintenance of good food hygiene shall be achieved through ensuring that:

1. Food preparation, handling and storage areas are kept clean and food handlers maintain good standards of personal hygiene at all times
2. All foods are cooked properly
3. Foods are kept at the right temperature with chilled foods maintained cold and hot foods cooled as quickly as possible and then chilled
4. Raw foods are prevented from cross-contaminating ready-to-eat foods
5. All food service facilities shall strictly adhere to the Food Hygiene

## Food Hygiene Procedures

1. **Personal Hygiene** - All food handlers should:
  - a. Thoroughly wash (using warm water and liquid soap) and dry (using disposable towels or air, not apron) their hands regularly when handling food, in particular:
    - i. Before handling food
    - ii. Immediately after handling raw food, especially raw meat or poultry
    - iii. After going to the toilet
    - iv. After blowing their nose, sneezing or coughing
    - v. After break
  - b. Wear clean clothes, apron and, where practicable, protective food handling gloves and food handling tongs (to reduce direct contact with food)
  - c. Tie hair back and use a hair net or cap
  - d. Cover cuts or sores with clean waterproof dressings
  - e. Avoid wearing jewelry, false nails or other items that might fall into food
  - f. Avoid touching their face or hair
  - g. Not cough or sneeze over food
  - h. Not smoking
2. **Training and Supervision** - Food business owners and license holders are responsible for ensuring that all food handlers receive adequate supervision, instruction and training in food hygiene.
3. **Illness** - Food handlers with symptoms of food poisoning, such as diarrhea, vomiting or stomach pains, must not handle food and must leave food preparation areas immediately. All other illnesses and skin conditions must be reported to a manager or the license holder who then needs to determine if these conditions pose a risk of spreading bacteria or disease should the person continue to handle food.

## Safe Food Handling

1. **Ingredients** - Food service facilities shall ensure that they purchase ingredients from reputable suppliers, with quality assured systems that maintain a high standard of food hygiene.
2. **Storing Food** - All foods for sale will be individually sealed into child-resistant packaging. All items will be labeled indicating the contents and medical dosage. Stored foods must clearly display 'Use by' or 'Best Before' dates with:
  - a. Chilled food kept at below 40 degrees
  - b. Hot food kept above 145 degrees
  - c. Raw food kept away from ready to eat foods, ideally in separate fridges
  - d. Raw food in sealable containers at the bottom of the fridge
  - e. Fridges must not be overloaded



### Food Handling Areas

1. **Design** - Food handling areas must be designed to permit food handlers to work hygienically and keep the premises clean. All areas should be adequately protected from pests.
2. **Cleanliness** - Food service facilities, equipment and surfaces must be kept clean and where necessary disinfected according to an established cleaning schedule. Waste shall:
  - a. Not be permitted to build up in food areas
  - b. Be stored in a clean area
  - c. Be removed frequently
  - d. Not cause a tripping, slipping or obstruction hazard
3. **Facilities** - Suitable facilities (including hot and cold water supply) for staff to wash their hands, food and equipment shall be provided:
  - a. Separate basin stocked with liquid soap and hot air dryer or disposable towel facility
  - b. Separate sink for washing food
  - c. Sink for cleaning premises, equipment, utensils, etc
  - d. Trash and compost containers will be covered, fly-tight, and metal or plastic
4. **Breaches of Food Hygiene procedures** - All breaches shall be reported in accordance with Primary Organic Therapy's Hazard Reporting procedure. Food services shall be required to immediately rectify any breaches.
5. **Food Poisoning** - Any suspected or confirmed cases of food poisoning must be reported.

## Schedule E-5

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

## Schedule E-5: Quality Control

### Cultivation Materials

The quality, purity and composition of our products are of the utmost importance for the proper care and well being of our patients. To ensure purity, each strain will start from high quality seed. The seedlings will be sexed and mature into our mother plants to supply the grow room. Several cuttings will then be taken to reproduce the exact genetic make-up of the original plant. These clones, which are genetically identical to the high quality mother plants, will provide a constant and reliable product for our patients. At minimum, at least two mothers of each strain will be maintained to supply an entire grow room of one variety of consistent high quality medical marijuana. The mother is kept alive in a vegetative state for nearly a year allowing for several grow cycles. This process will be repeated with new material when necessary to keep fresh and vigorous genetic strains for the highest quality pharmaceutical-grade marijuana. Any plant material found with an infection or affliction will be quarantined to the quarantine room. The plant will remain in the quarantine room until cured or destroyed.

### Plant Material Certification

The Corporation will also conduct a professional, full-spectrum analysis of all our strains. The Corporation will subcontract with BudGenius.com, a commercial lab that has developed medical marijuana testing procedures. The Corporation will be trained by BudGenius.com's scientist and pay a licensing fee to use their proprietary testing technology in our Growth Operation. Our grower's will sample test each harvest. The chemical composition portion of the test will determine potency of our products. That is the amount of 10 cannabinoids including THC, CBN and CBD, the three cannabinoids most attributed to achieving the desired effects for patients. Additionally, the sample will be tested for, pesticides, mold, fungus, insects, chemicals or other foreign materials. The Budgenius.com software provides a scientific report for each sample quantifying the attributes for relief of sleep, pain, anxiety and nausea as well as appetite stimulation. These results will provide an accurate baseline of attributes and a basis for the proper prescription/ patient match. Consistent testing is critical for quality control.

### Cultivation Environment

Crop production will occur in a sealed, locked facility with only one limited access point (plus an emergency fire door). The approved personnel entering the growing facility will be required to change into clean, sanitized uniforms (provided by The Corporation) before entrance. Personnel will also be required to wear surgical gloves and hairnets while working with the plants. Respirators will also be required while manicuring the buds.

The growing spaces will have state of the art climate control to maintain 70-75 degrees F, 55%-65% relative humidity and 1000- 1500 ppm CO<sub>2</sub>. These parameters will be remotely monitored for the safety of our employees and plant material. The growing spaces will have reflective white metals walls and sealed concrete floors. All growing surfaces, containers, floors, and cultivation tools will be properly sanitized for the prevention of molds and diseases. All airflow into the growing facility will be filtered to remove harmful pathogens, insects and rogue pollen.

Detailed records of the growing procedures and products used for each of our strains will also be maintained to provide a history for each product.

### Management Strategy

As a key instrument for quality control, The Corporation will be using the Hazard Analysis and Critical Control Point (HACCP) plan for minimizing hazards and possible damage to the product and employees. HACCP is commonly used in the food and beverage industries to maintain a high standard of quality. The following is a brief summary of the HACCP plan:

- Assemble the HACCP team, including one person who is HACCP-trained
  - members of the grow team
- Describe the product and its method of production and packaging; identify the intended use and consumers of the products
  - This describes and identifies all the processes involved in production
- Develop and verify process flow diagram
  - All production, harvesting and packaging methods
- Conduct a hazard analysis
  - Includes biological, chemical and physical hazards
- Identify the critical control points
  - Raw materials used and production processes
- Establish critical limits for each critical control point
  - Limits that must be met to maintain safety of product and employees
- Establish monitoring procedures
  - Specific numerical parameters
- Establish corrective actions
  - Identify causes and develop solutions
- Establish record keeping procedures
  - Processes, materials and production values for each strain
- Establish verification procedures
  - Validation, verification and reassessment

### **Training and Safety**

The Head Grower will conduct training for all Cultivation Staff to ensure corporate procedures are consistently followed. Training will include equipment operation and safety, proper techniques on handling, pruning, cultivating, curing and processing marijuana. Employees will also be trained on sanitation and organic growing techniques.

Given that the grow room facility is the most hazardous sector of our industry, all members of the grow team will be required to attend OSHA safety courses for general industry per order of The Corporation. This is standard required practice for similar companies and industries that have projects which are federally funded. Under these requirements, supervisors must attend and complete 30 hours of the OSHA training courses. All other related general employees of the grow team must attend and complete 10 hours of OSHA training courses.

Although outreach training is not currently mandatory in the state of Maine, some employers require that their workers to take the 10 or 30 hour training courses anyways. These training courses are known to reduce workplace hazards, injury, illness, and compliance fines.

Additional training tools will include the employee handbook, custom training presentations and seminars. Furthermore, employees will be offered additional training and education opportunities throughout their employment with The Corporation in an effort to retain skilled and knowledgeable staff members. Cultivation Staff will be trained in First Aid and CPR. Cultivation Staff will also be trained and adhere to The Corporation's critical incident reporting procedures.

## Schedule E-6

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

## Schedule E-6: Education Materials

Each patient and caregiver that designates Primary Organic Therapy as their dispensary will receive an information packet that will include the following materials/guides:

- Corporate Privacy Policy
- Strain Tracking Sheets (upon request) – which will allow patients to keep track of strains used and their effects
- Strains of Medication – including potency and recommended dosages
- Information on how our marijuana and associate products meet organic certification standards
- Resource Materials – we will make available a host of resource materials for our patients and caregiver to get educated on medical marijuana. Examples include:
  - How to Use Marijuana
  - Drug Abuse & Addiction
  - Myths & Facts of Marijuana

Attached are samples of some of the education materials we will provide to our patients.

## Strains

**Strain Name:** Carmelicious  
**Type:** Indica - Sativa Hybrid  
**THC level:** 15% - 20%



This variety possesses a sweet caramel flavor. Carmelicious has been bred for the last 15 years with great success. This indica/sativa hybrid is crossed and selected to produce this unique taste. An abundance of crystals are noticeable, and often produces an elevation in mood. This strain may assist in general pain relief and reduce feelings of nausea and migraines.

Although this is a hybrid strain it is sativa dominant. Therefore this strain is best consumed during daytime hours. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

**Strain Name:** Ganesha's Dream  
**Type:** Indica  
**THC level:** 15% - 20%



Ganesha's Dream cannabis is a genetic mix of Northern Lights mixed with Shiva. Ganesha's Dream is light green and stronger than Northern Lights. The dried flower has an extremely sweet smell. This strain has often been used to assist with general pain, IBD, and GERD. This strain has a documented relief effects related to gastro intestinal problems.

This strain is mostly indica. This specific strain affects mood heavily, and works well for general pain and has had documented success with gastro intestinal problems. This medicine produces an almost immediate increase in appetite, followed by a desire to sleep. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

*With this strain, higher dosages will increase sleep inducing effects.*



**Strain Name:** Forbidden Fruit  
**Type:** Indica  
**THC level:** 15% - 20%



This plant expresses fruity tones, a heavy taste, and noticeable mood alteration. The taste is reminiscent of blueberry with additional red berry tastes. The flower is adorned with blue flowers, pink flowers, and deeply green leaves. This plant is often considered for use by patients because of its pleasant taste. This strain is mostly indica and is best used for treatment of pain relief and insomnia.

This strain is mostly indica. This specific strain is best suited as general pain remedy. This medicine produces an almost immediate increase in appetite, followed by a desire to sleep. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

*With this strain, higher dosages will increase sleep inducing effects.*

**Strain Name:** White Queen  
**Type:** Indica – Sativa Hybrid  
**THC level:** 15% - 20%



This strain is among the white cannabis genetics. Its royal fragrance is reminiscent of delicate perfumes with a harmonious bouquet. The strain is most commonly recognized for this intense fragrance. This strain displays abundant resin crystals presenting a crown of shiny diamonds for the “White Queen”. The strong fragrance presents aromatherapy psychological benefits and its psychoactive properties are popular as a stress reliever.

This strain is one of the strongest and most potent strains we carry. This strain is best used for extreme pain relief and to assist with severe insomnia. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .05 grams every two hours.*

*For moderate effects it is recommended to smoke .1 grams every two hours.*

*For maximum effects it is recommended to smoke .2 grams every two hours.*

*With this strain, higher dosages will increase sleep inducing effects.*

**Strain Name:** Aussi Blues  
**Type:** Sativa  
**THC level:** 15% - 20%



Aussie Blues is derived from shared genetics with Blue Haze. The result of carefully selected genetic crossings has produced a powerful 90% sativa with a pleasing lemon smell. This strain is known to assist in general pain relief and to reduce feelings of nausea and migraines.

This is a sativa dominant strain. Therefore this strain is best consumed during daytime hours. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

**Strain Name:** Hindu Kush  
**Type:** Indica  
**THC level:** 15% - 20%



The original genes of the Hindu Kush cannabis strain originate from the mountainous Hindu Kush Valley. The cannabis seeds were crossbred with several indica varieties to create this lovely Indian type. The Hindu kush strain presents a lovely fragrance displaying big, dark, green leaves. This strain is best used to treat physical pain, body aches, and joint problems.

This mostly indica strain provides great relief for physical pain. This indica strain has a heavy and weighted feeling. This feeling is the basis of its pain relieving qualities as it introduces more body sensations than mood modification properties. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

*With this strain, higher dosages will increase sleep inducing effects.*

**Strain Name:** Master Kush  
**Type:** Indica – Sativa hybrid  
**THC level:** 15% - 20%



Master Kush Cannabis is a cross between two different Hindu Kush strains. This strain was popularized in 2005 and 2006 as a cannabis cup winner. This strain has maintained a high quality reputation for its medicinal effects. It is popular amongst Indica growers because of its consistent medical value, and is continually rated by medical marijuana users as one of the best strains available for pain relief.

This mostly indica strain provides great relief for physical pain. This indica strain has a heavy and weighted feeling. This feeling is the basis of its pain relieving qualities as it introduces more body sensations than mood modification properties. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

*With this strain, higher dosages will increase sleep inducing effects.*

**Strain Name:** Medijuana  
**Type:** Indica  
**THC level:** 15% - 20%



The Medijuana medical marijuana seeds strain is especially developed for patients who are in need of a pain reliever, and combined mental and physical remedies such as chronic pains, migraines, sleeping problems and those in treatment of chemotherapy. Medijuana is a very popular natural medicine and a great treatment for many medical ailments. Medijuana medical cannabis is an indica dominant marijuana plant with strong indica characteristics. The flower is dense with plentifully visible THC crystals.

This is a sativa dominant strain. Therefore this strain is best consumed during daytime hours. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

**Strain Name:** New York Diesel  
**Type:** Indica – Sativa Hybrid  
**THC level:** 15% - 20%



New York Diesel cannabis seeds has its roots in the Big Apple. This strain is an indica/sativa cross but shows more sativa traits and is often used during the day time. It will have similar effects to that of an indica without the sleepiness.

This is a sativa dominant strain. Therefore this strain is best consumed during daytime hours. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

**Strain Name:** Northern Light  
**Type:** Indica  
**THC level:** 15% - 20%



Northern Light cannabis is a very common cannabis plant around the world, originally developed in California. Northern Light is composed primarily indica cannabis genetics and one of the strongest types of cannabis available. This strain is well suited for patients who are in need of a pain reliever, and combined mental and physical remedies such as chronic pains, migraines, sleeping problems and those in treatment of chemotherapy.

This mostly indica strain provides great relief for physical pain. This indica strain has a heavy and weighted feeling. This feeling is the basis of its pain relieving qualities as it introduces more body sensations than mood modification properties. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .1 grams every two hours.*

*For moderate effects it is recommended to smoke .2 grams every two hours.*

*For maximum effects it is recommended to smoke .4 grams every two hours.*

*With this strain, higher dosages will increase sleep inducing effects.*

**Strain Name:** Super Nova  
**Type:** Indica  
**THC level:** 15% - 20%



Super Nova receives its namesake as having brighter shining THC crystals than any other cannabis variety. This strain is known for its anti-nausea quality as it has been reported to increase appetite and to assist cancer and AIDS patients in holding their food down.

This mostly indica strain is used to increase appetite and reduce feelings of nausea. This strain may also be used as a sleep aid. At THC levels of 15%-20%, this strain provides maximized effectiveness at minimal dosages.

*For mild effects it is recommended to smoke .05 grams every two hours.  
For moderate effects it is recommended to smoke .1 grams every two hours.  
For maximum effects it is recommended to smoke .2 grams every two hours.  
With this strain, higher dosages will increase sleep inducing effects.*

## **Notice of Privacy Practices for Protected Health Information**

This notice describes how medical information about you may be used and disclosed and how you can get access to this information. Please review it carefully.

This Privacy Notice describes how we may use and disclose your protected health information to carry out treatment, payment or health care operations and for other purposes that are permitted or required by law. It also describes your rights to access and control your protected health information in some cases. Your "protected health information" means any written and oral health information about you, including demographic data that can be used to identify you. This is health information that is created or received by your health care provider, and that relates to your past, present or future physical or mental health or condition.

### **A. Uses and Disclosures of Protected Health Information**

Primary Organic Therapy, Inc. (POTINC) may use your protected health information for purposes of providing treatment, obtaining payment for treatment, and conducting health care operations. Your protected health information may be used or disclosed only for these purposes unless the facility has obtained your authorization.

### **B. Other Uses and Disclosures**

As part of treatment, payment and health care operations, POTINC may also use or disclose your protected health information for the following purposes: to remind you of your appointment date, to inform you of potential treatment alternatives or options, to contact you after your treatment as part of our follow up practices, inform you of health-related benefits or services that may be of interest to you, or to contact you to raise funds for the facility or an institutional foundation related to the facility. If you do not wish to be contacted, please contact our Privacy Officer.

### **C. Uses and Disclosures Permitted**

Federal privacy rules allow POTINC to use or disclose your protected health information without your permission or authorization for a number of reasons including the following:

- 1. When Legally Required.** POTINC will disclose your protected health information when we are required to do so by any federal, state or local law.
- 2. In Connection With Judicial and Administrative Proceedings.** POTINC may disclose your protected health information in the course of any judicial or administrative proceeding in response to an order of a court or administrative tribunal as expressly authorized by such order.



**3. To Treating Physician.** POTINC may disclose your protected health information to your treating physician and to your primary caregiver for the purpose of carrying out the MMMP rules.

#### **D. Your Rights**

You have the following rights regarding your health information:

- 1. The right to inspect and copy your protected health information.** You may inspect and obtain a copy of your protected health information that is contained in a designated record set for as long as we maintain the protected health information.
- 2. The right to request a restriction on uses and disclosures of your protected health information.** You may ask us not to use or disclose certain parts of your protected health information for the purposes of treatment, payment or health care operations. You may also request that we not disclose your health information to family members or friends who may be involved in your care or for notification purposes as described in this Privacy Notice.
- 3. The right to request to receive confidential communications from us by alternative means or at an alternative location.** You have the right to request that we communicate with you in certain ways. We will accommodate reasonable requests.

#### **E. Complaints**

You have the right to express complaints to POTINC and to the Maine Department of Health and Human Services if you believe that your privacy rights have been violated. You may complain to POTINC by contacting the Chief Operating Officer verbally or in writing, using the contact information below. We encourage you to express any concerns you may have regarding the privacy of your information. You will not be retaliated against in any way for filing a complaint.

#### **F. Contact Person**

POT's contact person for all issues regarding patient privacy and your rights under the federal privacy standards is the Privacy Officer. Information regarding matters covered by this Notice can be requested by contacting the Privacy Officer. If you feel that your privacy rights have been violated by this facility you may submit a complaint to our Privacy Officer by sending it to:

ATTN: Chief Operating Officer  
Primary Organic Therapy, Inc.  
90 Community Drive  
Sanford, ME 04073

The Chief Operating Officer can be contacted by telephone at (888) 360-0650

**POTINC's Acknowledgment of Receipt of Privacy Notice:**

I acknowledge that I have received the Privacy Notice.

Patient's name printed: \_\_\_\_\_

Patient or personal representative signature: \_\_\_\_\_ Date: \_\_\_\_\_



## How to Use Marijuana

### Smoking Marijuana

Smoking marijuana produces the most immediate effects and permits the most refined control of your dosage. Smoking any material is not good for the lungs, but the amount that you need to smoke is so small that you need not be overly concerned. It is better to smoke the flowers rather than the leaves as this also reduces the amount you will need to smoke. Using a water pipe will cool the smoke and relieve many of the toxins produced by burning. Smoking joints (marijuana cigarettes) is suggested.

### Eating Marijuana

Marijuana can be eaten. When consumed this way, it is usually baked in brownies or cookies, and sometimes made into candy, particularly with mashed dates. It takes longer to feel the effects when eaten, and may take longer for you to learn to control your dosage. However, when you do feel the effects, they may be stronger than those felt by smoking. You may also feel a certain heaviness in your body. This will not hurt you. Schedule your time so that you can relax when you take it.

Overall dosage effectiveness will vary based on preparation method. THC, one of the active chemicals in cannabis, is more efficiently assimilated if it has been dissolved in fats. Therapeutic effects will be slower to take effect, and may take up to two hours to begin. Care should be taken to provide the appropriate dosage as effects can extend up to six hours. Proper arrangements should be made to insure an appropriate patient environment throughout this full six-hour period.

### Suggested amount of cannabis for medicinal use per person

Weight of Person	Amount of Cannabis per Person
Under 125 pounds	1/6 teaspoon
126 to 180 pounds	1/4 teaspoon
181 to 225 pounds	1/3 teaspoon
226 to 280 pounds	1/2 teaspoon
294+ pounds	1 level teaspoon

### Marijuana Tea

Like other herbs, marijuana may be made into a tea. Boil the water first and pour it over the marijuana. Let it steep for longer than you would for common black tea; approximately an hour and a half. Add 1 tsp. of butter. The effects are similar to eating it.

### Tincture

To prepare a tincture, use 5 parts fresh marijuana to 1 part vodka. If you are using dried marijuana, as is usually the case, use 10 parts marijuana to 1 part vodka. An easy way to do this if you don't have measuring equipment, is to fill whatever container you are using (glass is preferable as you don't want to leech any residues from metal containers) two thirds full with herb, then fill the container with vodka and let stand for a week or more. Afterward, strain the solution. If you use a larger portion of herb, the resulting tincture will be more potent.

### **Vaporize**

Smoking is injurious to health. Marijuana is known to contain many health-enhancing compounds and to be helpful for a number of medical conditions. Burning plant materials, however, produces health-damaging toxins, which is why using a vaporizer for your marijuana is a sound alternative. When you use a vaporizer you are heating the cannabis to the temperature needed for the plant to release its essential oils – and no further. No combustion takes place and you inhale a vapour, or mist, instead of smoke. Plants release their active ingredients at a variety of temperatures, for cannabis the optimum temperature is 180°C to 200°C. However there are at least 250 herbs and plants that release health-enhancing compounds when heated, so vaporizers can be used for more than marijuana!

#### **How do Vaporizers Work?**

All vaporizers work by heating your herb of choice; however, there are three ways this can be achieved:

Conduction simply involves placing the herb on a metal plate that is heated to release the essential oils. The first vaporizers used this method and some of these are still in use today. It is quite a crude method and, if the temperature is not finely controlled, the contact between hot metal and plant material can lead to combustion and inhalation of smoke.

In convection vaporizers, the plant material never comes into contact with the heating element. Instead air is passed over or through the element before passing through the marijuana. The manner in which the air is drawn through the element varies from the simple ‘draw’, in which the user ‘pulls’ the air over a glass coated heating element and through the herbs as he inhales, to the forced air system where air is actively blown across the element and through the herbs.

Most herbal vaporizers in use today use the convection method.

#### **Getting the Best from your Vaporizer**

1. Don’t grind your herb too finely – you’re not competing in a ‘finest grind’ competition. You’re looking for smallish lumps.
2. Spread your ground herb evenly in the vaporizer chamber.
3. Don’t be impatient! Allow around three to four minutes for the vapor to form.
4. If your vaporizer doesn’t have an automatic switch-off mechanism, remember to turn it off when you’re done.
5. Inhaling vapor feels very different to inhaling smoke – you’ll likely think you haven’t had enough and take too much on the first couple of occasions. Vaporizing is much more efficient than smoking – so in the long-term you will use less herb for greater effect.

## **Side Effects of Marijuana**

Marijuana is one of the oldest natural herbs known to human beings. It is also one of the safest, as it is impossible to consume enough to produce a toxic effect in the body. However, if you are unfamiliar with it, there are some effects which you should be aware of so that you can use it more effectively.

### **Uneasiness**

Marijuana usually has a soothing and comforting effect on the mind. Sometimes, however, people do experience feelings of anxiety. If this happens to you, there are several things you can do. Try to stay in environments where you feel naturally comfortable. You may want to avoid busy, noisy, or unattractive places. If your environment is safe and comfortable, and you still have some anxiousness, sit or lay down, breathe deeply, and relax. Think loving thoughts. If you have a pet, hold or stroke it. Eating will often quickly reduce the feeling of anxiety. Then, the next time you use it, try reducing your dosage. Because of our social training, you may have feelings of guilt. Know that you have a right to your medicine.

### **Hunger**

Many people become hungry after using marijuana, and those who need their appetite stimulated use it for this very reason. If you are not using it for this purpose, drink water or juice. If you do wish to eat, eat good nourishing food rather than sweets.

### **Thirst**

Marijuana often makes people feel thirsty. Because of this, it helps those who need it to rehydrate themselves. Drink all the water you wish. Fruit juices are better than coffee, tea, or soft drinks.

### **Redness in the eyes**

This will not hurt you. You do not need to use any of the commercial preparations that "get the red out" for cosmetic reasons. If you must go out in public and are concerned about others' reaction to the redness, wear sunglasses.

### **Drowsiness**

Some people find that marijuana makes them sleepy. If you can and wish to, go ahead and take a nap. As with all medicines that can produce drowsiness, don't drive or operate heavy machinery.

### **Insomnia**

Some people find that they can't sleep for a while after using marijuana. If this happens to you, try reducing your dosage, and avoid using it for about two hours or so before you want to sleep.

### **Short-term memory loss**

Sometimes people find it difficult to carry on a complicated conversation, keep track of details, or perform complex tasks. If this happens to you, schedule your time so that you don't have to do these things when using your medicine. Long-term memory is not affected.

### **Giddiness**

Many people find that things which normally don't seem funny become quite amusing when they use marijuana. Most people enjoy this effect. A good laugh helps the healing power of your body and mind. If you must go to the bank or deal with other situations where humor would be inappropriate in your judgment, schedule your time so that you don't have to deal with them when you are taking your medicine. Don't worry, this will pass.

## How to Roll a Marijuana Cigarette

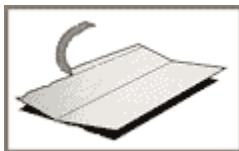


### Rolling Papers



Rolling Papers come in all shapes, sizes, colors and designs. Novelties aside, the best skins are the ones which stick where and when you want them to. Rice or wheat straw is recommended - the thinner and finer the better. Most of these designs are based on using standard size papers but work just as well with king size.

Paper never got anyone high so the aim is always to use as little as possible. Try tearing your papers down to size. Some judicious trimming can also make the cigarette easier to roll. The wider, squarer types of paper give you more scope for creating tailor made skins of different shapes.



If things start go bit pear-shaped the humble skin can save the day. Gummed strips torn from a spare paper make excellent bandages for tears, leaks, gaps and other emergencies. The strips are also ideal for creating cigarettes between spliffs and roaches.

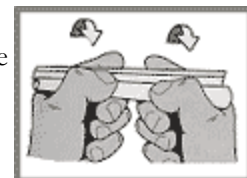
### Rolling the Cigarette



The mix is perhaps the most important part of the cigarette. Make sure the consistency is even and break-up or remove any lumps or 'woody' bits. The shape of the finished cigarette is decided by how you distribute the mix over the papers. Many of the numbers here are cone-shape. Cones tend to smoke more smoothly than straight cigarettes, but are slightly harder to roll.

Putting the roach in before rolling is recommended and saves time and hassle. You're also more likely to get a perfect fit.

Now for the 'tricky' bit. Pick everything up and start in the middle, rolling outwards. Let your thumbs do most of the work and give support and pressure with your forefingers. You should start to feel the mix firming inside the paper.





When you have an even consistency tuck down the facing paper edge with tips of your thumbs, wrap the excess paper around the cigarette, wet and seal!

The best cigarettes are firm but not so tight you have to over exert your lungs drawing smoke. Loose cigarettes taste rough and burn too fast.

## Drug Abuse and Addiction

Are you struggling with a drug problem that's spiraled out of control? If so, you may feel isolated, helpless, or ashamed. Or perhaps you're worried about a friend or family member's drug use. In either case, you're not alone. Addiction is a problem that many people face.

The good news is that you or your loved one can get better. There is hope—no matter how bad the substance abuse problem and no matter how powerless you feel. Learning about the nature of addiction—how it develops, what it looks like, and why it has such a powerful hold—will give you a better understanding of the problem and how to deal with it.

### Understanding Addiction

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Addiction is a complex disorder characterized by compulsive drug use. People who are addicted feel an overwhelming, uncontrollable need for drugs or alcohol, even in the face of negative consequences. This self-destructive behavior can be hard to understand. Why continue doing something that's hurting you? Why is it so hard to stop?

The answer lies in the brain. Repeated drug use alters the brain—causing long-lasting changes to the way it looks and functions. These brain changes interfere with your ability to think clearly, exercise good judgment, control your behavior, and feel normal without drugs. These changes are also responsible, in large part, for the drug cravings and compulsion to use that make addiction so powerful.

### How Addiction Develops

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The path to drug addiction starts with experimentation. You or your loved one may have tried drugs out of curiosity, because friends were doing it, or in an effort to erase another problem. At first, the substance seems to solve the problem or make life better, so you use the drug more and more. But as the addiction progresses, getting and using the drug becomes more and more important and your ability to stop using is compromised. What begins as a voluntary choice turns into a physical and psychological need. The good news is that drug addiction is treatable. With treatment and support, you can counteract the disruptive effects of addiction and regain control of your life.

#### 5 Myths about Drug Addiction and Substance Abuse

**MYTH 1: Overcoming addiction is a simply a matter of willpower. You can stop using drugs if you really want to.** Prolonged exposure to drugs alters the brain in ways that result in powerful cravings and a compulsion to use. These brain changes make it extremely difficult to quit by sheer force of will.

**MYTH 2: Addiction is a disease; there's nothing you can do about it.** Most experts agree that addiction is a brain disease, but that doesn't mean you're a helpless victim. The brain changes associated with addiction can be treated and reversed through therapy, medication, exercise, and other treatments.

**MYTH 3: Addicts have to hit rock bottom before they can get better.** Recovery can begin at any point in the addiction process—and the earlier, the better. The longer drug abuse continues, the stronger the addiction becomes and the harder it is to treat. Don't wait to intervene until the addict has lost it all.

**MYTH 4: You can't force someone into treatment; they have to want help.** Treatment doesn't have to be voluntary to be successful. People who are pressured into treatment by their family, employer, or the legal system are just as likely to benefit as those who choose to enter treatment on their own. As they sober up and their thinking clears, many formerly resistant addicts decide they want to change.

**MYTH 5: Treatment didn't work before, so there's no point trying again; some cases are hopeless.** Recovery from drug addiction is a long process that often involves setbacks. Relapse doesn't mean that treatment has failed or that you're a lost cause. Rather, it's a signal to get back on track, either by going back to treatment or adjusting the treatment approach.

## Understanding Addiction

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Although different drugs have different physical effects, the symptoms of addiction are the same no matter the substance. The more drugs begin to affect and control your life, the more likely it is that you've crossed the line from drug use to abuse and drug addiction. Unfortunately, when you're in the middle of it, you may be in denial about the magnitude of the problem or the negative impact it's had on your life. See if you recognize yourself in the following signs and symptoms of substance abuse and addiction. If so, consider talking to someone about your drug use. You're on a dangerous road, and the sooner you get help, the better.

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### Common signs and symptoms of drug abuse

- **You're neglecting your responsibilities** at school, work, or home (e.g. flunking classes, skipping work, neglecting your children) because of your drug use.
- **You're using drugs under dangerous conditions or taking risks while high**, such as driving while on drugs, using dirty needles, or having unprotected sex.
- **Your drug use is getting you into legal trouble**, such as arrests for disorderly conduct, driving under the influence, or stealing to support a drug habit.
- **Your drug use is causing problems in your relationships**, such as fights with your partner or family members, an unhappy boss, or the loss of old friends.

### Common signs and symptoms of drug addiction

- **You've built up a drug tolerance.** You need to use more of the drug to experience the same effects you used to with smaller amounts.
- **You take drugs to avoid or relieve withdrawal symptoms.** If you go too long without drugs, you experience symptoms such as nausea, restlessness, insomnia, depression, sweating, shaking, and anxiety.
- **You've lost control over your drug use.** You often do drugs or use more than you planned, even though you told yourself you wouldn't. You may want to stop using, but you feel powerless.
- **Your life revolves around drug use.** You spend a lot of time using and thinking about drugs, figuring out how to get them, and recovering from the drug's effects.
- **You've abandoned activities you used to enjoy**, such as hobbies, sports, and socializing, because of your drug use.
- **You continue to use drugs, despite knowing it's hurting you.** It's causing major problems in your life—blackouts, infections, mood swings, depression, paranoia—but you use anyway.

**What drugs are most commonly abused and what are the signs and symptoms?**

Almost all drugs have the potential for addiction and abuse, from caffeine to prescription medication. However, the majority of non-alcohol related addictions are due to a short list of drugs including sleeping pills, painkillers, cocaine, marijuana, methamphetamine, and heroin.

[Click here for a PDF factsheet on the symptoms and effects of commonly abused drugs.](#)

**Warning signs that a friend or family member is abusing drugs**

Drug abusers often try to conceal their symptoms and downplay their problem. If you're worried that a friend or family member might be abusing drugs, look for the following warning signs:

**Physical warning signs of drug abuse**

- Bloodshot eyes or pupils that are larger or smaller than usual.
- Changes in appetite or sleep patterns. Sudden weight loss or weight gain.
- Deterioration of physical appearance and personal grooming habits.
- Unusual smells on breath, body, or clothing.
- Tremors, slurred speech, or impaired coordination.

**Behavioral signs of drug abuse**

- Drop in attendance and performance at work or school.
- Unexplained need for money or financial problems. May borrow or steal to get it.
- Engaging in secretive or suspicious behaviors.
- Sudden change in friends, favorite hangouts, and hobbies.
- Frequently getting into trouble (fights, accidents, illegal activities).

**Psychological warning signs of drug abuse**

- Unexplained change in personality or attitude.
- Sudden mood swings, irritability, or angry outbursts.
- Periods of unusual hyperactivity, agitation, or giddiness.
- Lack of motivation; appears lethargic or "spaced out."
- Appears fearful, anxious, or paranoid, with no reason.

**Warning Signs of Teen Drug Use**

There are many warning signs of drug use and abuse in teenagers. The challenge for parents is to distinguish between the normal, sometimes volatile, ups and downs of the teen years and the red flags of substance abuse.

- Being secretive about friends, possessions, and activities.
- New interest in clothing, music, and other items that highlight drug use.
- Demanding more privacy; locking doors; avoiding eye contact; sneaking around.
- Skipping class; declining grades; suddenly getting into trouble at school.
- Missing money, valuables, or prescriptions.
- Acting uncharacteristically isolated, withdrawn, or depressed.
- Using incense, perfume, or air freshener to hide the smell of smoke or drugs.



- Using eyedrops to mask bloodshot eyes or dilated pupils.

## Drug addiction and denial

One of the most dangerous effects of drug abuse and addiction is denial. The urge to use is so strong that the mind finds many ways to rationalize the addiction. You may drastically underestimate the quantity of drugs you're taking, how much it impacts your life, and the level of control you have over your drug use.

Denial is an unconscious defense mechanism. Minimizing and rationalizing the addiction is less scary than admitting that your drug use is dangerously out of control. But the cost of denial can be extremely high—including the loss of important relationships, your job, financial security, and your physical and mental health.

### Do you have a substance abuse problem?

- Do you feel like you can't stop, even if you wanted to?
- Do you ever feel bad or guilty about your drug use?
- Do you need to use drugs to relax or feel better?
- Do your friends or family members complain or worry about your drug use?
- Do you hide or lie about your drug use?
- Have you ever done anything illegal in order to obtain drugs?
- Do you spend money on drugs that you really can't afford?
- Do you ever use more than one recreational drug at a time?

If you answered "yes" to one or more of the questions, you may have a drug problem.

## Getting help for drug abuse and drug addiction

### Finding help and support for drug addiction

- Visit [Narcotics Anonymous](#) to find a meeting in your area.
- Call **1-800-662-HELP** to reach a free referral helpline from the Substance Abuse and Mental Health Services Administration.

If you're ready to admit you have a drug problem, congratulations! Recognizing that you have a problem is the first step on the road to recovery, one that takes tremendous courage and strength.

Facing your addiction without minimizing the problem or making excuses can feel frightening and overwhelming, but recovery is within reach. If you're ready to make a change and willing to seek help, you can overcome your addiction and build a satisfying, drug-free life for yourself.

### Support is essential to addiction recovery

Don't try to go it alone; it's all too easy to get discouraged and rationalize "just one more" hit or pill. Whether you choose to go to rehab, rely on self-help programs, get therapy, or take a self-directed treatment approach, support is essential. Recovering from drug addiction is much easier when you have people you can lean on for encouragement, comfort, and guidance.

Support can come from:

- family members
- close friends
- therapists or counselors

- other recovering addicts
- healthcare providers
- people from your faith community

### Recovering from drug addiction

Addiction is a complex problem that affects every aspect of your life. Overcoming it requires making major changes to the way you live, deal with problems, and relate to others. It's not just a matter of willpower or simply wanting to quit. Getting off drugs for good is difficult without treatment and ongoing support. The good news is that there are many tools that can help you on your journey to sobriety.

### When a loved one has a drug problem

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If you suspect that a friend or family member has a drug problem, here are a few things you can do:

- **Speak up.** Talk to the person about your concerns, and offer your help and support. The earlier addiction is treated, the better. Don't wait for your loved one to hit bottom! Be prepared for excuses and denial with specific examples of behavior that has you worried.
- **Take care of yourself.** Don't get so caught up in someone else's drug problem that you neglect your own needs. Make sure you have people you can talk to and lean on for support. And stay safe. Don't put yourself in dangerous situations.
- **Don't cover for the drug user.** Don't make excuses or try to hide the problem. It's natural to want to help a loved one in need, but protecting them from the negative consequences of their choices may keep them from getting the help they need.
- **Avoid self-blame.** You can support a person with a substance abuse problem and encourage treatment, but you can't force an addict to change. You can't control your loved one's decisions. Let the person accept responsibility for his or her actions, an essential step along the way to recovery for drug addiction.

## **Myths and Facts of Marijuana**

**MYTH: Marijuana Can Cause Permanent Mental Illness.** Among adolescents, even occasional marijuana use may cause psychological damage. During intoxication, marijuana users become irrational and often behave erratically.

**FACT:** There is no convincing scientific evidence that marijuana causes psychological damage or mental illness in either teenagers or adults. Some marijuana users experience psychological distress following marijuana ingestion, which may include feelings of panic, anxiety, and paranoia. Such experiences can be frightening, but the effects are temporary. With very large doses, marijuana can cause temporary toxic psychosis. This occurs rarely, and almost always when marijuana is eaten rather than smoked. Marijuana does not cause profound changes in people's behavior.

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- "Cannabis use will impair but not damage mental health." London Telegraph. 23 January 2006.
- Andreasson, S. et al. "Cannabis and Schizophrenia: A Longitudinal study of Swedish Conscripts," The Lancet 2 (1987): 1483-86.
- Degenhardt, Louisa, Wayne Hall and Michael Lynskey. "Testing hypotheses about the relationship between cannabis use and psychosis," Drug and Alcohol Dependence 71 (2003): 42-4.
- Weil, A. "Adverse Reactions to Marijuana: Classification and Suggested Treatment." New England Journal of Medicine 282 (1970): 997-1000.

**MYTH: Marijuana is Highly Addictive.** Long term marijuana users experience physical dependence and withdrawal, and often need professional drug treatment to break their marijuana habits.

**FACT:** Most people who smoke marijuana smoke it only occasionally. A small minority of Americans - less than 1 percent - smoke marijuana on a daily basis. An even smaller minority develop a dependence on marijuana. Some people who smoke marijuana heavily and frequently stop without difficulty. Others seek help from drug treatment professionals. Marijuana does not cause physical dependence. If people experience withdrawal symptoms at all, they are remarkably mild.

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- Kandel, D.B., et al. "Prevalence and demographic correlates of symptoms of dependence on cigarettes, alcohol, marijuana and cocaine in the U.S. population." Drug and Alcohol Dependence 44 (1997):11-29.
- Stephens, R.S., et al. "Adult marijuana users seeking treatment." Journal of Consulting and Clinical Psychology 61 (1993): 1100-1104.

**MYTH: Marijuana Is More Potent Today Than In The Past.** Adults who used marijuana in the 1960s and 1970s fail to realize that when today's youth use marijuana they are using a much more dangerous drug.

**FACT:** When today's youth use marijuana, they are using the same drug used by youth in the 1960s and 1970s. A small number of low-THC samples seized by the Drug Enforcement Administration are used to calculate a dramatic increase in potency. However, these samples were not representative of the marijuana generally available to users during this era. Potency data from the early 1980s to the present are more reliable, and they show no increase in the average THC content of marijuana. Even if marijuana potency were to increase, it would not necessarily make the drug more dangerous. Marijuana that varies quite substantially in potency produces similar psychoactive effects.

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- Kleiman, Mark A.R. *Marijuana: Costs of Abuse, Costs of Control*. Westport: Greenwood Press, 1989. 29.
- Bennett, William. Director of National Drug Control Policy, remarks at Conference of Mayors. 23 April 1990.

**MYTH: Marijuana is More Damaging to the Lungs Than Tobacco.** Marijuana smokers are at a high risk of developing lung cancer, bronchitis, and emphysema.

**FACT:** Moderate smoking of marijuana appears to pose minimal danger to the lungs. Like tobacco smoke, marijuana smoke contains a number of irritants and carcinogens. But marijuana users typically smoke much less often than tobacco smokers, and over time, inhale much less smoke. As a result, the risk of serious lung damage should be lower in marijuana smokers. There have been no reports of lung cancer related solely to marijuana, and in a large study presented to the American Thoracic Society in 2006, even heavy users of smoked marijuana were found not to have any increased risk of lung cancer. Unlike heavy tobacco smokers, heavy marijuana smokers exhibit no obstruction of the lung's small airway. That indicates that people will not develop emphysema from smoking marijuana.

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- Nahas, Gabriel G. and Nicholas A. Pace. Letter. "Marijuana as Chemotherapy Aid Poses Hazards." *New York Times* 4 December 1993: A20.
- Inaba, Darryl S. and William E. Cohen. *Uppers, Downers, All-Arounders: Physical and Mental Effects of Psychoactive Drugs*. 2nd ed. Ashland: CNS Productions, 1995. 174.

**MYTH: Marijuana is a Gateway Drug. Even if marijuana itself causes minimal harm, it is a dangerous substance because it leads to the use of "harder drugs" like heroin, LSD, and cocaine.**

**FACT:** Marijuana does not cause people to use hard drugs. What the gateway theory presents as a causal explanation is a statistic association between common and uncommon drugs, an association that changes over time as different drugs increase and decrease in prevalence. Marijuana is the most popular illegal drug in the United States today. Therefore, people who have used less popular drugs such as heroin, cocaine, and LSD, are likely to have also used marijuana. Most marijuana users never use any other illegal drug. Indeed, for the large majority of people, marijuana is a terminus rather than a gateway drug.

- Morral, Andrew R.; McCaffrey, Daniel F. and Susan M. Paddock. "Reassessing the marijuana gateway effect." *Addiction* 97.12 (2002): 1493-504.
- United States. National Household Survey on Drug Abuse: Population Estimates 1994. Rockville, MD: U.S. Department of Health and Human Services, 1995.
- ---. National Household Survey on Drug Abuse: Main Findings 1994. Rockville, MD: U.S. Department of Health and Human Services, 1996.
- D.B. Kandel and M. Davies, "Progression to Regular Marijuana Involvement: Phenomenology and Risk Factors for Near-Daily Use," *Vulnerability to Drug Abuse*, Eds. M. Glantz and R. Pickens. Washington, D.C.: American Psychological Association, 1992: 211-253.

## Schedule E-7

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

## Schedule E-7: Critical Incident Reporting

### Reporting Critical Incidents

Per the Maine Department of Health and Human Services, The Corporation intends to be in compliance with reporting violations in writing within 24 hours of an incident occurrence. Such a report will include the who, what, where, when and outcome of action, root cause analysis of events, and corrective measures for future reference. An incident may be defined as or include the following:

1. **Confidentiality breach;** Primary Organic Therapy will not tolerate the unauthorized release or disclosure of patient information. Patient healthcare information is privileged data that should only be shared on a business need to know basis. Protection measures include: restricted access to patient database via password protection; encryption; policies addressing restricted reproduction of files and records without approval from management or owner; preserving record of files and information in a secure log/locked cabinet; internal only transmission of data (not to be shared via internet without encryption); adequate and thorough training of employees; strict adherence to HIPPA regulations.
  - a. In the event of a confidentiality breach, the direct manager of associate, Director of Security, Chief Operating Officer and Chief Executive Officer will be notified, incident form will be filled out within 24 hours; Security Manager will follow up with DHHS with incident report.
2. **Theft or Diversion;** due to the nature of our service, Primary Organic Therapy holds a strict policy pertaining to inventory procedures. The entire life of the plant(s) will be adequately documented, weighed, measured, held securely and accounted for. If in the event of a theft or discrepancy, our precise documentation system in place will assist us in producing a timeline of events.
  - a. Should a theft, sizable discrepancy or shortage occur or be discovered, the employees direct manager & local law enforcement (if applicable), Lead Grower, Accounting Controller, Director of Security and Chief Executive Officer will be notified; incident form will be filled out within 24 hours; Director of Security will follow up with DHHS with incident report.
3. **Unauthorized Access or Intrusion;** any individual not sanctioned to enter into any portion of the clinic or department of Primary Organic Therapy will be met with an immediate response. Although we will be taking proactive measures – such as dual controlled opening and closing procedures, security guards, video monitoring, state of the art security system and implementation of alarms, we understand we must be prepared for any unlawful and unauthorized intrusion.
  - a. Consequently, any unauthorized invasion will immediately reported to security staff – including the Director of Security and or law enforcement. The Chief Operating Officer and Chief Executive Officer will likewise be notified; Director of Security will provide DHHS with incident report.
4. **Physician/Patient abuse;** while Primary Organic Therapy, as well as the State of Maine has incorporated safeguards against providing unlawful amounts of therapy to patients and or

unethical behavior on the behalf of physicians, once again we consider these actions unacceptable and plan to abide by all federal and state regulations pertaining to these matters.

- a. In addition to adhering to regulations pertaining to physician/patient abuse, such events will be reported to the Chief Operating Officer, Chief Executive Officer and the Director of Security of whom will follow up with DHHS with an incident report.
5. **Other Incidents;** Critical Incidents may also include the following (note, this is not an exhaustive list, there may be other significant events that require an incident report): assaults, physical violence, sexual assault/incidents, threatening behavior, theft, vandalism, loss, unauthorized use of equipment or property owned by Primary Organic Therapy, employee misconduct, bomb threats, incidents involving law enforcement, false fire or security alarm, violation of State's dispensary regulations, unlawful activity, arrests, robbery, attempted robbery, break & enter, threats, forgery, financial crimes, suspicious persons, confrontations, sale of drugs or narcotics on premises, drug abuse, fire, missing property, injuries, media coverage of any incident, hazardous waste/chemical leak, explosion, homicide, weapons, hostages, intentional sabotage, mutilation or destruction of therapy, substance abuse, missing or lost data, trespassing, unethical behavior, sexual harassment and or anything that may hold a negative, substantial impact on Primary Organic Therapy.
6. **Other reports;** Primary Organic Therapy may provide distribution reports and or other healthcare information to individual patient physicians or DHHS upon request with explicit permission from patient.

In all cases, critical incident reports will be reported to DHHS. After reporting, Primary Organic Therapy Officers and management involved will be reviewing incidents to determine appropriate course of outcome, a root cause analysis and a list of proactive steps to avoid future incidents. If in the event law enforcement, state or federal officials becoming involved, Primary Organic Therapy will cooperate.

While Primary Organic Therapy assumes no general responsibility for employees lost, stolen or damaged personal property on company grounds, we advocate them to report incidents to security.



**Critical Incident Report-All portions of report must be completed**

**Date and time of critical incident:**\_\_\_\_\_

**Date and time of report:**\_\_\_\_\_

**Name of person filling out report:**\_\_\_\_\_

**Name of all individuals involved in incident & title(s):**

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**What is the nature of critical incident (type)?**\_\_\_\_\_

**Describe with as much detail as possible- where, when critical incident occurred (assume reader does not know anything pertaining to event); you may use an addendum if you need additional space.**

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**Was law enforcement notified?**\_\_\_\_\_

**What are the factors you believe played a role in critical incident?**\_\_\_\_\_

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What factors could have been taken to avoid critical incident? \_\_\_\_\_

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Signature of person filling out form: \_\_\_\_\_

Signature of Chief Executive Officer: \_\_\_\_\_

Signature of Director of Security: \_\_\_\_\_

## Exhibit A

**Primary Organic Therapy**

One Canal Plaza

Suite 600

Portland, ME 04101

To: Derek Brock, CEO  
Primary Organic Therapy, Inc.  
One Canal Plaza  
Suite 600  
Portland, ME 04101

From: John Montgomery, CEO  
US Car Find

Re: Letter of Intent to Provide Financing for a Medical Marijuana Dispensary - Districts 1 and/or 7

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The following letter indicates the intent of US Car Find to provide financing to Primary Organic Therapy to be used in operating medical marijuana dispensaries in The State of Maine's public health zones - District 1 and/or District 7.


**Amount of Financing:** \$500,000 per approved district; Up to a maximum amount of **\$1,000,000**

**Terms:** 20% interest per annum (payable annually); Five year maturity

The following contingencies apply:

- (a) Primary Organic Therapy secures the approval, necessary licenses and permits from the State of Maine to operate a medical marijuana dispensary.
- (b) Primary Organic Therapy secures the approval from the town which they intend to operate to grow medical marijuana.
- (c) Borrower signs the promissory note.

This letter is non-binding until the above contingencies have been satisfied.

  
\_\_\_\_\_  
John Montgomery

8-2-10  
Date